The KSF affair continues to rankle with many, both on and off the island.

Salt was rubbed into the wounds in July Tynwald when a recommendation of the Select Committee was rejected in order to continue to allow bank directors to also be members of the Financial Services Commission.

It will be remembered that at the time of the collapse of KSF (IoM), John Cashen, one of the directors was also vice chairman of the FSC.

Chairman of the Select Committee, Juan Watterson, warned of the reputational damage by association this could have. So the youngest member of Tynwald would appear to have greater insight than his more experienced colleagues, about the broader implications that the vote may have. Perhaps he is aware of an earlier 2002 Select Committee Report about Maladministration - ‘the Pilling Report’.

At paragraph 20.01 “Recommendations” the Report states:

“It should be accepted as a rule in the public service that wherever an official might reasonably be perceived by a member of the public to be likely to be biased, partial or otherwise personally interested in the outcome of dealings between the citizen and the state, that official should cease to be involved with them”

Or perhaps he is aware of the 2004 Report of the Standing Committee of Tynwald on Expenditure and Public Accounts: Ramsey Post Office and Associated Matters stated (paragraph 9.4):

“We recognise that the Island has a relatively small population and there are many links to members of the public through family connections, business associates and friendships. It may therefore sometimes be difficult for Members of Tynwald or members of the business community to distance themselves sufficiently to ensure that they cannot be criticised for a potential conflict of interest.”
Perhaps he is aware of a ruling, delivered on 12th February 2007, in the matter of a Petition of Manx National Heritage. His Honour Deemster Kerruish made reference to the “perception” of conflict of interest in relation to the “compact” nature of the Isle of Man public service.

So there has been an awareness for many years that just a perception by ordinary people of a conflict of interest can undermine confidence in public service.

We are always told that in the Isle of Man our politicians are close their constituents.

The above vote shows that, as far as perceived conflicts of interest is concerned, there’s a gulf as wide as the salty Irish Sea!