

Communication

Shortcomings of the Consultation Process

2016

European policy making shapes domestic policy initiatives and it is therefore essential that the policy process is properly informed at EU level. We welcome growing recognition of the infrastructural and economic role of data centres among policy makers and accept that this will go hand in hand with greater scrutiny. Our intention is not to resist policy instruments *per se* but to work with stakeholders to ensure that those instruments, whether mandatory or voluntary, are only applied when necessary, that they build on existing approaches rather than creating new ones, and that they are fit for purpose. By this we mean that the implementation reflects the policy intention and does not lead to unintended consequences like perverse incentives, market distortion or carbon leakage. Most importantly, for data centres, comprising a location agnostic, energy intensive sector with significant growth potential, policy approaches should not make the EU an unattractive location for investment.

Recent industry engagement on policy proposals relating to data centres suggests that a number of shortcomings hamper policy development in some areas. Poorly informed policy, developed without an adequate understanding of the technical and market characteristics of the industries that underpin the digital economy, will undermine attempts to deliver the policy priorities of the digital agenda and the jobs and growth on which our collective futures depend.

The Council has identified the following issues:

Pre-defining the answers: Consultations sometimes adopt an approach that predisposes answers, preventing respondents from submitting objective views. The 2014 circular economy questionnaire was a case in point. The survey was simplistic, comprised leading questions and was entirely inadequate. The resulting policy is overly focused on products rather than processes and on waste rather than innovation.

Appointing consultants without relevant expertise: consultants are appointed to undertake important preliminary studies and the results suggest that they sometimes lack relevant expertise. The 2014 input on KPIs for green data centres demonstrated an almost complete ignorance of existing industry standards and self-policing tools. The E&Y BEMP preparatory study also displayed multiple technical shortcomings.

Unwillingness to take account of expert opinion: the industry is well endowed with technical experts who are happy to share their expertise without charge in the interests of the industry. Policy makers would benefit from a more objective attitude to information provided by industry experts.

Inadequate consultation scope: the scope for input to consultations is artificially constrained. “Would you like to buy a new shirt” is a different question from “what colour buttons would you like on the new shirt that you have to buy”. By using peripheral questions as a distraction, the consultation process sometimes ignores key questions. The 2014 Circular Economy consultation is an example.

Inadequate impact assessment, combined with a failure to understand business processes: this means that policies are often far more burdensome than necessary. The application of ETS to data centres is a case in point: compliance costs are generally two orders of magnitude greater than allowance costs and the policy delivers no environmental benefit within this sector. (See separate Council Communication)

Lack of recognition of existing solutions: An apparent preference for reinventing wheels has been demonstrated even when adequate solutions already exist. During discussions to identify Best Environmental Management Practices for EMAS, technical experts from industry reported a high degree of unwillingness by policy makers to adopt the existing EU Code of Conduct for Data centres best practices.

The Council takes the view that the Commission must take steps to resolve these issues.

About the UK Council of Data Centre Operators

techUK's Data Centre Council comprises twenty individual members who represent the full spectrum of business interests and business models across the data centre sector. Members include wholesale and retail colocation providers, cloud and hosting operators and enterprise providers and range from multinationals to SMEs. Some members specialise in the provision of professional services to data centres such as lawyers, surveyors, investors and advisors, some manufacture the IT and communications hardware that occupy these facilities and others represent the data centre supply chain. The Council is a decision-making body providing strategic direction for all techUK's activity relating to data centres. Formal Terms of Reference provide governance for the group.

The Council was established in 2009 in conjunction with the British Computer Society (BCS). Its primary objective was to provide a representative voice for the sector in policy matters, particularly those relating to energy and carbon taxation. Over the last five years the Council has been responsible for delivering a number of significant outcomes for the UK data centre sector. These include negotiating a Climate Change Agreement for Data Centres, limiting the impact of the Carbon Reduction Commitment, building a certification framework to recognise professionalism in the sector, demonstrating the economic value of the sector to Treasury and BIS and demystifying data centres to policy makers across government. The UK has the largest data centre market in Europe by a significant margin and as a result the Council also takes a close interest in EU policy developments impacting the sector.

Comprising senior decision makers, the Council is the single most influential body representing data centres in the UK.

Current members are:

Andrew Jay (Chairman)	CBRE
Rob Coupland (Vice Chairman)	TelecityGroup
Ian Bitterlin (Chair of Technical Committee)	Critical Facilities
Derek Allen	Global Switch
Tony Allen (alternate: Billy McHallum)	Equinix
Mark Bailey	Charles Russell Speechlys
Jack Bedell-Pearce	4D-DC
Allan Bosley (alternate: Pip Squire)	Ark
Robin Brown	Colt
Paul Cranfield (alternate: Patrick Coogan)	Digital Realty
Peter Gibson	Intel
Nicola Hayes	Andrasta
Matt Lovell	Pulsant
Gavin Murray (alternate Paul Smith)	Rackspace
John Oliver	Barclays
Dave Smith	DataCentred
Steve Strutt	IBM
Mark Trevor	Cushman and Wakefield
Mark Yearwood	CenturyLink

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For further information see: <http://www.techuk.org/focus/programmes/data-centres/groups/data-centres-council>

About techUK

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