

Compliance Assessment Report

Report ID:
CAR_NRW0033432

This form will report compliance with your permit as determined by an NRW officer

Site	Cross Hands	Permit Ref	BU8002IT		
Operator/Permit holder	Dunbia UK				
Regime	Installations				
Date of assessment	26/04/2018	Time in	09:30	Out	13:00
Assessment type	Audit				
Parts of the permit assessed	See Agenda				
Lead officer's name	Jenkins, Nicholas				
Accompanied by					
Recipient's name/position	Alison Trace/ Health, Safety and Environment Manager	Date issued	07/06/2018		

Section 1 – Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations or the licence under the Water Resources Act 1991 as amended by the Water Act 2003. A detailed explanation is captured in "Compliance Assessment Report Detail" (Section 2) and any actions you may need to take are given in the "Action(s)" (section 4). This summary details where we believe any non-compliance with the permit has occurred, the relevant condition and how the non-compliance has been categorised using our Compliance Classification Scheme (CCS). CCS Scores can be consolidated or suspended where appropriate, to reflect the impact of some non-compliances more accurately. For more details of our CCS scheme, contact your local office.

Permit conditions and compliance summary	CCS Category	Condition(s) breached
B1 - Infrastructure - Engineering for prevention and control of emissions	A	

KEY: See Section 5 for breach categories, suspended scores will be indicated as such.

A = Assessed or assessed in part (no evidence of non-compliance), **X** = Action only,

O = Ongoing non-compliance, not scored.

Number of breaches recorded	0	Total compliance score (see section 5 for scoring scheme)	0
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If the Number of breaches recorded is greater than zero, please see Section 3 for our proposed enforcement response

Section 2 – Compliance Assessment Report Detail

This section contains a report of our findings and will usually include information on:

- The part(s) of the permit that were assessed (eg. Maintenance, training, combustion plant, etc)
- Where the type of assessment was 'Data Review' details of the report/results triggering the assessment
- Any non-compliances identified
- Any non-compliances with directly applicable legislation
- Details of any multiple non-compliances
- Information on the compliance score accrued inc.
- Details of advice given
- Any other areas of concern
- Any actions requested
- Any examples of good practice
- A reference to photos taken

Attendees

Fiona McLachlan – UK EHS Manager (Dunbia)

Alison Trace – EHS Manager, Cross Hands (Dunbia)

Katy Rodgers – Graduate Manager (Dunbia)

Diana Ursu – EHS Officer, Llanybydda (Dunbia)

Charlotte Sutton – Plant Manager, Cross Hands (Dunbia) (only present for final discussion)

Nick Jenkins – PPC Officer (Natural Resources Wales)

Agenda

1. Overview of strategic partnership – Dunbia and Dawn Meats

2. Permit Discussion

3. Review of primary and secondary containment actions – Audit February 2017

4. Gap analysis based on draft BAT conclusions of the F&D BRef – March 2018

1. Overview of strategic partnership – Dunbia and Dawn Meats

A strategic partnership and acquisition agreement by Dawn Meats (Dawn) and Dunbia was completed in September 2017. Dawn has agreed a strategic partnership with Dunbia to establish a joint venture in the United Kingdom comprising the UK operations of both organisations. The combined UK businesses now trade as Dunbia and are managed by former Dunbia CEO Jim Dobson as CEO, and Dawn Meats CEO Niall Browne as Executive Chairman.

The current environmental permit for the installation (variation 004) at Cross Hands is currently operated by Dawn Meats (U.K.), Companies house reference 03382084. However, the company name Dawn Meats (U.K.) was changed 25 January 2016 to Dawn Meats (UK) although no amendment to the reference number was made or the registered address i.e. Castle St, Exeter.

The operator advised that there will be no changes to the management structure or procedures at the installation and only the trading name will change, which is expected 30 April 2018. The operator currently has a permit variation under determination by NRW and although this change was not expressed in the application, there is a need to reflect this whether it is via an exchange of emails or included in variation 005. This issue will be raised with the industrial permitting team to seek guidance.

2 May 2018, an email was sent to NRW stating that Dawn Meats (UK) has changed to Dunbia (UK). This has been passed to the permitting team for inclusion in the current variation.

2. Permit Discussions

17 April 2018 we received an application from the operator to vary its permit under a minor technical variation, to install a CO₂ tank and supplementary emission points. This was requested following the introduction of further production processes at the facility. The proposal suggests that a 36.4m³ (10.7x2.7m) CO₂ tank will be placed on the west side of the facility. In addition, three emission points will be added: two 250mm vents, to remove excess CO₂ purged from the bowl chopper/cutter process and one 400mm vent, to remove the excess CO₂ purged from the blending process.

Saul White from our industrial permitting team is the responsible officer and is due to issue a draft variation for internal comment imminently. Once the comments have been reviewed, the draft will be sent to the operator.

During the audit we saw the proposed location of the tank. We would encourage the operator to liaise with the Health and Safety Executive to understand whether there are any concerns for the development under the pressure equipment regulations.

3. Review of primary and secondary containment actions

Following an assessment of the operator's primary, secondary and tertiary containment at the Cross Hands installation several actions and recommendations were made which were aimed at bringing the operator into compliance with its permit and adhere to relevant guidance.

In an email 2 March 2018, the operator provided confirmation that most of the actions were completed. The table below presents the bund reference (as outlined in the original application for the environmental permit), its description, the action(s) required to be completed to bring the operator into compliance with its permit and the operator's response.

Reference	Description	Action(s)	Dunbia's Response
ConT-001	Effluent treatment plant bund	1. The capacity of the bund is below the required minimum i.e. 110% of the largest tank; 2. There are permeable areas within the bund where liquid can penetrate; 3. There are cracks around the drain within the bund; 4. There are drain outlets within the bund as identified by Environmental Efficiency. Additional area of concern - Electrical cabling connections transect the bund as they travel between the item of plant and the energy source. This will render the bund ineffective as there is a pathway through the cabling housing.	The ETP tank is scheduled to be emptied and inspected by the end of the month by Goodwin, the tank manufacturers. An inspection regime has been put in place in relation to the integrity of the ETP tank. A tank assessment report was sent to NRW 02/05/18 ref C5477-100. This was completed by Goodwin tanks 14/03/18. The methodology used in the inspection is not common and although there are some cross overs we would expect an assessment of this nature to follow relevant guidance. The HSE states that 'Storage tank inspection, maintenance, modification and repair codes, standards, guidelines and practices are generally linked to the national or international design and fabrication document. For example, EEMUA 159 is supported by BS EN 14015 and API 653 by API 650. Each of the tank assessment and inspection documents list the codes to which they apply in their introduction sections'. A traffic barrier has been installed around the balance tank to prevent forklift trucks damaging the tank. The site recently undertook a costing exercise in relation to installing a bund completely around the ETP area. The cost of the bund was evaluated as circa £140,000 taking into account design, construction and contractor costs. An email was provided which was compiled by the operator's structural engineer and outlined the costs of the required works based on figures that it had received for a proposal at one of its sister factories. NRW are satisfied that an assessment has been made and that the additional containment provided is sufficient to mitigate against a possible breach of a tank within the area (based on the completion of all outstanding

			actions and ongoing maintenance of tanks and bunding of ConT-001 and the shut off valve). Extensive works have been completed or scheduled to be completed (as stated above) to address the points raised within the NRW bund containment report and the statutory bund integrity inspections conducted by OES / EE. The site believes that current control measures are adequate in relation to the protection of ground / surface water from potential contamination from the ETP area. This assessment can be reflected in the fact that there have been no incidences of tank / bund fail from the ETP and subsequent contamination to surface water since the development of the site in 2006. Clarification was provided for action 4 as work order 61172 – seal and make water tight cable ducts from feed pump sump and closed 17/03/17. Further clarification is required by the operator, to establish the responsibility of SSE’s cable connections through ConT-001.	
ConT-005	Cooked foods chemical store	Not enough information to make an assessment but further work can be undertaken to ensure compliance with the permit.	Signage / procedure has been developed [for ConT-005] and signed off by the hygiene manager. Photographs were provided 02/05/18 which identified the signage to limit the volume of storage on each drip tray. 05/06/18 - Procedure was submitted to NRW and will be discussed at the next opportunity.	
ConT-006	Fat transfer tank sump	1. At the time of the inspection, the walls of the bund were not impervious to the contents of the tanks stored within; 2. Unclear whether the tank, which appears to sit beneath the bund is	Concreting work of the bund will be carried out by the end of Q2 [2018] (financial year) when the weather is more ambient. A water integrity test will [be] conducted by the end of Q2 to ensure sump is fully contained. The operator has previously provided work order 61177 – remove pipe between tank and	

		contained.	bund wall and fill in hole to make water tight. Photographs were provided 02/05/08.
ConT-007	Fat storage tank bund	1. There is a disparity between the volumes presented by EE and Dawn Meats and this will have an impact on compliance if the EE assessment is correct. 2. At the time of the inspection, pipework penetrated the bund wall	23/08/17 – Email and photographs provided by the operator to substantiate the bund dimensions. EE dimensions were therefore incorrect. The operator advised that - Any pipework that can be removed will be and if not, the area around the pipe will be completely sealed and inspected on a periodic basis. This has been completed. Photographs were provided 02/05/08.
ConT-008	Firewater bulk diesel	1. Outlet identified at the rear of the bund 2. Possible seepage of rain water through the bund	Resealing of bund and removal of outlet has been completed. The operator has previously provided work order 61180 – remove drain pipe at back of bund and fill in hole to make water tight. This was closed 17/03/17.
Cont-009	Diesel fuel tank for road vehicles	Recommendation – Traffic barrier to be considered along the vulnerable sections of the tank and bund.	Traffic barrier to be installed by the end of the month. Photographs were provided 02/05/08.

Of the responses provided by the operator, no visual assessment was made on the day of the audit to confirm the actions had been completed. This will be audited at the next opportunity.

4. Gap analysis based on draft BAT conclusions of the F&D BRef

The nature of Dunbia's operations i.e. preparation and cooking of raw meats which are packaged for retail sale, within the threshold of a Schedule 1 activity means that it must adopt the provisions of the Best Available Techniques Reference Documents (BRef) under the IPPC Directive (2008/1/EC) and the Industrial Emissions Directive (IED, 2010/75/EU). The documents have been developed as part of the exchange of information carried out in the framework of Article 13(1) of the IED. The BRefs have been drawn for all industrial sectors which are considered under the relevant directives of which the operations at Cross Hands are captured under the **food drink and milk industries**.

The current BRef for the food drink and milk industries was published in 2006 and is currently under review with a formal draft being issued in January 2017. Further reviews have been made but have yet to be formalised. Once the new BRef has been adopted, all applicable industries within the EU will have four years to comply with the amended BAT conclusions.

<http://eippcb.jrc.ec.europa.eu/reference/fdm.html> [link to BRef]

This agenda point was raised as it is a NRW food and drink industry sector objective for 2018/19. After the agenda was issued (which signposted the draft BRef), an updated set of BAT conclusions was produced entitled 'Revised draft BAT conclusions for the Food, Drink and Milk Industries (March 2018)' and it was this document that was discussed in the audit.

Each of the general BAT conclusions (BATc) and the specific BATc were discussed with the caveat that this is a draft document and that this could change following the next meeting of the technical working group in May 2018. The operator advised that based on the BATc reviewed in the audit that it would not have difficulties in achieving the amended conditions e.g specific energy efficiency and water usage targets; environment management system review.

Dunbia operates a small smoker (power rated 8kW) that uses on average 32 x 4.2kg logs/week which are virgin untreated timber. The smoker unit generates smoke using friction and in turn gasification rather than combustion. Currently the operator does not undertake any monitoring of its emissions to air from its processes but the draft BRef suggest that meat smoking will require annual monitoring for NO_x, CO and Total Volatile Organic Compounds (TVOC). There does not appear to be any threshold of the size of the smoker but there is a caveat that TVOC would not apply in the case of liquid smoking.

The BATc 32 suggests that to reduce emissions of organic compounds to air, BAT is to use one or a combination of the following methods: adsorption; thermal oxidation; wet scrubber or the use of purified smoke. As such a limit for TVOC has been suggested for meat smoking i.e. 10-50 mg/Nm³. BATc 5 also suggests annual air emissions monitoring frequencies for CO and NO_x which match the TVOC frequency.

This doesn't appear to be a significant change to the operation and we cannot envisage any problems with the operator achieving compliance with these conclusions within the 4-year window, once the BRef has been adopted. Again, it is worth pointing out that these are draft conclusions and have yet to be confirmed. NRW will update the operator about any key developments as the BREF and BATc discussions progress.

[END]

EPR Compliance Assessment Report

**Report ID:
CAR_NRW0033432**

This form will report compliance with your permit as determined by an NRW officer

Site	Cross Hands	Permit Ref	BU8002IT
Operator/Permit holder	Dunbia UK	Date	26/04/2018

Section 3 – Enforcement Response

You must take immediate action to rectify any non-compliance and prevent repetition. Non-compliance with your permit conditions constitutes an offence and can result in criminal prosecutions and/or suspension or revocation of a permit. Please read the detailed assessment in Section 2 and the steps you need to take in Section 4 below.

Section 4 – Action(s)

This section summarises the actions identified during the assessment along with the timescales for when they will need to be completed.

Criteria Ref.	CCS Category	Action required/advised	Due Date
See Section 1 above			

Section 5 – Compliance notes for the Operator

To ensure you correct actual or potential non-compliance we may

- Advise on corrective actions verbally or in writing
- Require you to take specific actions verbally or in writing
- Issue a notice
- Require you to review your procedures or management system
- Change some of the conditions of your permit
- Decide to undertake a full review of your permit

Any breach of a permit condition is an offence and we may take legal action against you

- We will normally provide advice and guidance to assist you to come back into compliance either after an offence is committed or where we consider that an offence is likely to be committed. This is without prejudice to any other enforcement response that we consider may be required.
- Enforcement action can include the issue of a formal caution, prosecution, the service of a notice and/or suspension or revocation of the permit.

See our Enforcement and Civil Sanctions guidance for further information

This report does not relieve the site operator of the responsibility to

- Ensure you comply with the conditions of the permit at all times and prevent pollution of the environment
- Ensure you comply with other legislative provisions which may apply

Non-compliance scores and categories

CCS category	Description	Score
C1	A non-compliance that could have a major environmental effect	60
C2	A non-compliance which could have a significant environmental effect	31
C3	A non-compliance which could have a minor environmental effect	4
C4	A non-compliance which has no potential environmental effect	0.1

Operational Risk Appraisal (Opra) - Compliance assessment findings may affect your Opra score and/or your charges. This score influences the resource we use to assess permit compliance.

Section 6 – General information

Data protection notice

The information on this form will be processed by the Natural Resources Wales (NRW) to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s). The NRW may also use and/or disclose it in connection with:

- Offering/providing you with its literature/services relating to environmental matters
- Consulting with the public, public bodies and other organisations (eg. Health and Safety Executive, local authorities) on environmental issues
- Carrying out statistical analysis, research and development on environmental issues
- Providing public register information to enquirers
- Investigating possible breaches of environmental law
- Assessing customer service satisfaction and improving its service
- Freedom of Information Act/Environmental Regulations request

The NRW may pass it on to its agents/representatives to do these things on its behalf. You should ensure that any persons named on this form are informed of the contents of this data protection notice.

Disclosure of information

The NRW will provide a copy of this report to the public register(s). However, if you consider that any information contained in this report should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within fifteen working days of receipt of this form indicating which information it concerns and why it should not be released, giving your reasons in full.

Customer charter

What can I do if I disagree with this compliance assessment report?

If you are unable to resolve the issue with your site officer, you should firstly discuss the matter with officer's line managers using the informal appeals procedure. If you wish to raise your dispute further through our official Complaints and Commendations procedure, phone our general enquiry number 0300 065 3000 (Mon to Fri 08.00 – 18.00) and ask for the Customer Contact team or send an email to enquiries@naturalresourceswales.gov.uk. If you are still dissatisfied you can make a complaint to the Public Services Ombudsman for Wales. For advice on how to complain to the Ombudsman phone their helpline on 0845 607 0987.

Welsh Language

If you would like this form in Welsh please contact your Regulatory Officer.