

Compliance Assessment Report

Report ID:
CAR_NRW0031136

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

Site	Celtic Chemicals Limited	Permit Ref	NP3634MU			
Operator/Permit holder	Celtic Chemicals Limited					
Regime	Installations					
Date of assessment	01/02/2017	Time in	09:00	Out	17:00	
Assessment type	Audit					
Parts of the permit assessed	Low Impact status					
Lead officer's name	Taylor, Richard					
Accompanied by						
Recipient's name/position	Rhys Woolcock/ Financial Director	Date issued	15/02/2017			

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
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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

Celtic Chemicals Audit 1st Feb 2017

Personnel present

Rhys Woolcock – Financial Director (Celtic Chemicals Ltd)

Peter Cartwright – Head of Quality and Compliance (Celtic Chemicals Ltd)

Richard Taylor – Natural Resources Wales Site Inspector.

Background

Celtic Chemicals are a permitted site under the EPR Regulations and have held permit NP3634MU since August 2007. They are caught under the EPR Regs because they fall under section 4.2 Part A(1)(a)(iv) concerning the manufacture of inorganic chemicals through blending and repackaging.

The Company is privately owned and occupy a unit in the Kenfig Industrial estate. The site comes under the 'Low Impact Installation criteria of the EPR Regs and is required to meet these criteria at all times. Therefore this inspection constituted an annual inspection of the sites records as well as a site tour to ensure that the site still comes under the Low impact criteria.

Business Update

Peter Cartwright was appointed as Head of quality and compliance, and has been in position since 19th Dec 2016. Celtic Chemicals reported that business was brisk, and that the number of personnel employed at the site is up to 20.

Low Impact Criteria Assessment

Criteria	Description	Demonstration of Compliance	NRW audit findings
Management Techniques	All the criteria described below must be met without having to rely upon significant management effort. The installation must have only a low impact, including under start-up, shut down, or abnormal operating conditions	Site processes are controlled appropriately. Emergencies are considered. Employee training is periodic and recorded and tailored to risk assessments. Management system has incorporated the sites environmental processes during 2016.	The Installation continues to operate under the low impact criteria. Celtic Chemicals has an environmental Management System which is adequate for the facility to operate under the EPR regime. The Company may apply for ISO14001 accreditation of this system in future. Changes in relevant personnel over the last year have led to a delay in forwarding this project.
Aqueous Waste	The Installation must not produce more than 50m ³ per day of water from process activities conducted at the installation giving rise to effluent. No account need be taken of the volume of water exported from the installation as water.	Site used a registered waste transport and disposal company to dispose of collected site effluent and bund rainwater on; 01/02/16 25 m ³ 16/03/16 25 m ³ 13/05/16 20 m ³ 30/06/16 25 m ³ 18/08/16 25 m ³ 03/10/16 25 m ³ 14/11/16 18m ³ Total 163 m ³	A check on the waste recording system was made. Waste transfer notes were chosen at random and carried the EWC code of 06 03 14 which is Inorganic chemical processing from the manufacture, formulation, supply and use of salts and their solutions and metallic oxides – solid salts and solutions not containing cyanides or heavy metals. The site averaged 0.44 m ³ per day which is well below the 50m ³ per day Low impact limit.
Abatement systems/releases to air	Compliance must be achieved without the reliance of abatement for releases to atmosphere. Releases must not be dependent upon equipment whose failure could result in an unacceptable external release, for example by using scrubbers, active abatement, filters or electrostatic precipitators to clean the emission to acceptable standards prior to release.	During 2016 the installation produced no detrimental emissions. The site has no set limits in the permit due to the low levels released. Personnel undergo individual exposure monitoring as part of the company health and safety management system. This confirms that exposure levels are minimal. 18 tests were carried out in 2016. Pontardawe Air Movements Ltd carried out tests on the effectiveness of the extraction system in Jan 2016. (Source CCL report L1).	The site does not have active abatement, but does have a variety of ducts and stacks which emit air from workers local areas. There is a dust extraction system through the roof has a charcoal filter as an extra measure. This is not viewed by NRW as a measure to clean the air emission prior to release to the environment because the emission is clean enough to be released without this measure in place. The work carried out in Jan was checked by examining the receipt. The maintenance company who stripped and cleaned the diaphragms reportedly did this work in July 2016. Site needs to ensure that the annual report L1 carries the latest up to date information because the date given on the L1 form does not match the date of the company receipt.
Groundwater Regulations	There must be no planned or fugitive emissions from the permitted installation into the ground, or any soakaway.	Site reports no fugitive emissions took place to the ground in 2016. All waste water is collected in a holding tank and periodically taken away by tanker for disposal. The site has a high level alarm fitted to alert when the tank reaches a given level, then the disposal company is called. These pick-ups are not scheduled. Internally the design of the unit ensures that all manufacture occurs	No soakaways were seen on the site tour. The holding tank is constructed of fibreglass and may be single skinned only. The tank is held inside a breezeblock wall bunded area of adequate size (110% capacity of the tank capacity minimum). The tank is thought to be 20 years old and is exposed to the elements. The bund had a small quantity of rainwater in

		within an effective bund. Haz materials are not externally stored. Internal storage complies with guidance note HSG71. Regular inspections take place to confirm compliance to OP0017. OP0008 controls the storage and disposal of waste. Inspections of the waste water tank, waste water sump, and bunded areas have been conducted during 2016 by the site H&S manager. These occur when the waste water is collected. The inspections are signed for and recorded on the company EMS.	it which is regularly collected with the contents of the tank. Because the rainwater was in the bund, it was sufficient to prove the bund integrity had not been breached. There was a cementitious repair to the floor of the bund, but redundant pipework still protruded out of the exterior. This represents a weak area in the bund system and could be improved by removal of the pipe and making good the repair. The integrity of the fibre glass tank is a concern for NRW as it represents the largest risk to the environment. Site need to have this inspected by a qualified engineer and the inspections need to take place on a scheduled basis which is aligned to the EMAS.  Site could also roof over the tank to delay the tank delamination affect under exposure to the elements.
Waste Production	The installation must not give rise to more than 1 tonne of directive waste or 10kg of hazardous waste per day averaged over a year, with not more than 20 tonnes of directive waste or 200kg of hazardous waste being released in 1 day.	Site reported waste for 2016 as; Gen Waste (mixed municipal waste from commerce 20 03 01) – 14 tonnes. Recycles (packaging, cardboard etc. 15 01 06) - 6.809 tonnes Haz/chem waste 0.798t Red Industries, Stoke. Total non haz waste 20.8 tonnes – below the LII threshold Total Haz waste – 0.8 t – well below the LII threshold. No EWC codes used on the LI reporting form for hazardous waste from site.	Waste consignment notes were made available on inspection. Random notes were inspected. Consignment not from Red Industries showed the chemical breakdown of the haz waste substance EWC code 16 03 03 for 30kg copper sulphate which is a hazardous substance listed in the EWC codes as Other waste from industrial process – off spec batches and unused products. Also 16 03 05 sodium selenite was collected, listed as the same as above but with organic waste containing hazardous substances. Site needs to further breakdown its haz waste EWC codes when reporting mixed haz substances to

			NRW on their annual L1 reporting form. The use of EWC codes is a legal requirement under the duty of care legislation and is required to be annotated onto the waste transfer notes. (As seen on the inspection). Site need to ensure these codes are also used in reporting their haz waste annual totals to us. We expect to see totals of each EWC code from site, not just the final tonnage.
Energy Consumption	The Installation must not consume energy at a greater rate than either 3MW or, if the installation uses a combined heat and power installation to supply any internal process heat, 10MW. These limits apply to the sum of energy imported as electricity and produced on site through the combustion of fuels.	Electricity was reported at 9720kwh/month. This is a 20kWh/month increase from last year due to an increase in production. Gas was reported as 3254 kWh/month (41kWh/month less than last year. Water is metered and reported as 604m³ - a decrease from 681m³from last year.	Clarification on the criteria was sought by RT. The legislation requests a consumption rate of less than 3MW but does not state the period which this is relevant. On consultation with colleagues and viewing the original permit decision documents, it can be seen that the 3MW consumption rate is not a rate which is time dependent. The process consumes approximately 90kW according to the decision document which is more than 30 times the maximum rate.
Accident Prevention	The installation must at all times contain less than 10% of any lower tier qualifying inventory as set out in Schedule 1 of the Control of Major Accident Hazards Regulations (COMAH) 1999. For substances and preparations classified as Dangerous for the Environment, a relaxation of the 10% figure up to the lower tier qualifying inventory will be considered, provided that satisfactory containment measures to prevent fugitive emissions to surface water, sewer or land are in place and maintained at the installation at all times. The normal application rules for COMAH including aggregation of similar risk phrases apply to this test.	Site report that all hazardous chemicals are stored within UN approved packs in line with HSG71 guidance. Segregation and separation distances are adhered to. Storage and containment is regularly assessed and recorded. Site uses an external flammable store. No hazardous material is stored external to the process. Picture below shows daily internal storage of different chemicals. 	NRW looked at the daily storage of chemicals throughout the site from a risk perspective. One IBC pictured was temporarily stored on the open shop floor where it could feasibly be damaged by passing forklift traffic.  It would be an improvement to store these at the side of the operation where current racking would shield the IBC on 3 sides and reduce the risk of an accident.

			 The photo above shows chemicals correctly labelled, with lids attached, but stored precariously on the edge of a pallet. Site need to ensure their daily stock is stored in a manner where risks of spillages are minimised. This can be achieved by reducing the quantity on the pallet, and not stacking on top of each other where the containers are not designed for this purpose.
Noise, Odour and Emissions from Polluting substances	There must only be a low potential for offence due to noise. There must be no likelihood of a release of any polluting substance from the whole installation to the environment at a rate greater than the determined as 'insignificant'. There must only be a low potential for odour	The site reports that a risk assessment was conducted in Feb 2016 and that actions from the study are to be addressed in the Feb 2016 review. On the audit, the site stated that no complaints had been received for 2016. NRW records verify this assertion.	This statement was issued on the 2017 L1 return. However this is either; 1. Issued by mistake, where 2016 is a typing error, and should be 2017. 2. Is seriously out of date, and the Feb 2016 review results have not been implemented or acted upon. 3. Cut and pasted from last year's return without full regard to the requirements of the Low Impact threshold. Site are required to clarify why the L1 return has a reference to 2016 on it - deadline 31st March 2017 At the audit, site reported that a risk assessment to potential sensitive receptors has been carried out in the last few weeks (i.e., since 1st Jan 2017). The outcomes of this will be raised in the management meeting held on the day after this audit. Potential fugitive release. One IBC in the operational storage area had evidence of leakage onto the shop floor. This was identified as manganese nitrate. Blue roll had been used as a temporary preventative measure, but this does

			not demonstrate best practice. Leaking IBC's should not have been allowed to remain in the working area. This material should have been decanted to a clean empty receptacle, or removed to a safe collection bund to reduce the risk of fugitive emission. However, the leak was small and contained within the working area. No non compliance recorded.
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Other issues not relating to the Low Impact assessment.

1. The site was displaying out of date material on the workplace notice board. One sign for Emergency contact details still referred to 'The Environment Agency' as a contact, yet Natural Resources Wales has been the regulatory body for Wales since Apr 1st 2013.



Therefore the site need to be aware that conforming to their EMAS is a constant improvement. The Environment permit and EMAS are living documents, not just tick box exercises. Therefore site needs to review the emergency contact procedure as a priority to ensure that the information there is current and up to date.

Mislabelled WEEE skip

The site took delivery of a skip provided by Veolia which was incorrectly labelled as WEEE (Waste electricals). Site should ensure that the correct skip is delivered or ask the owner to return and change the label.

Permit Condition 1.1.3

‘Any person having duties that are or may be affected by the matters set out in this permit shall have convenient access to a copy of it kept at or near the place where those duties are carried out’.

On the inspection, there was no permit displayed on the notice board on the shop floor. However, site quickly remedied this situation and avoided a minor non-compliance.

New LED Lighting

Site are undergoing an improvement to their lighting by replacing their old arc lighting system with a new LED lighting system which should reduce their energy demand. This is seen as a welcome improvement by NRW.

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EPR Compliance Assessment Report

**Report ID:
CAR_NRW0031136**

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

Site	Celtic Chemicals Limited	Permit Ref	NP3634MU
Operator/Permit holder	Celtic Chemicals Limited	Date	01/02/2017

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.

Other than the provision of advice and guidance, at present we do not intend to take further enforcement action in respect of the non-compliance identified above. This does not preclude us from taking enforcement action if further relevant information comes to light or advice isn't followed.

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.