# Compliance Assessment Report

**Report ID:**
**CAR_NRW0034138**

| This form will report compliance with your permit as determined by an NRW officer | | | | | |
|---|---|---|---|---|---|
| Site | Royal Mint EPR/KP3135KV | Permit Ref | KP3135KV | | |
| Operator/Permit holder | The Royal Mint Ltd | | | | |
| Regime | Installations | | | | |
| Date of assessment | 30/10/2018 | Time in | 10:15 | Out | 16:15 |
| Assessment type | Audit | | | | |
| Parts of the permit assessed | 1.1.1(a) Maintenance Procedures | | | | |
| Lead officer's name | Green, Rebecca | | | | |
| Accompanied by | | | | | |
| Recipient's name/position | Martyn Grant/ Environmental Manager | Date issued | 06/11/2018 | | |

## 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** |
|---|---|---|
| A1 - Specified by permit | A | |
| B1 - Infrastructure - Engineering for prevention and control of emissions | A | |
| B4 - Infrastructure - Containment of stored materials | A | |
| B5 - Infrastructure - Plant and equipment | A | |
| C1 - General Management - Staff competency/training | A | |
| C2 - General Management - Management system and operating procedures | A | |
| G3 - Monitoring and Records, Maintenance and Reporting - Maintenance records | 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 |
|---|---|---|---|

**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

The aim of this audit was to check that breakdown and maintenance operations, that may cause an environmental risk by disturbing other plant not involved in the breakdown or maintenance, are adequately controlled.

**Agenda**

1. Introductions and business update;
2. Actions resulting from recent acid leak in Cyanide Treatment Room 2;
3. Plant inspection to identify areas of concern and the procedures in place
   a. Cyanide treatment room
   b. Burnishing area
   c. Copper plating solution transfer system for carbonate treatment
4. Audit of procedures to confirm that those in place are the current issues
   a. Planned maintenance
   b. Breakdown notification
   c. Reporting mechanism
   d. Subsequent actions, including scheduling repair
   e. Environmental risk assessment for proposed work
   f. Verification that plant has been correctly re-installed/re-connected
   g. Testing prior to re-commissioning
   h. Acceptance back into production;
5. Brief discussion of audit findings;
6. AOB.

**Present for all or part of the audit**

Tony Baker, Head of Future State Operations, Currency, The Royal Mint, (RM);
Stephen Clode, COMAH Manager, Currency Operations, RM;
Caeli Rees, Process Safety Manager, RM;
Martyn Grant, Environmental Manager, RM;
Kerrie Jephcote, SHE Graduate, RM;
Rebecca Green, PPC Officer, Natural Resources Wales, (NRW).

**1. Introductions and Business Update**

Caeli Rees has recently been appointed as Process Safety Manager.
Business forecasts are looking encouraging and RM are planning some significant investments in the next two years.

**2. Actions arising from the recent acid leak in Treatment Room 2 (TR2)**

An employee noticed that the delivery pipe from the acid dosing pump had become disconnected and that acid was dripping down the cladding onto the concrete outside. Shortly afterwards there was a high pH alarm. If the employee had not seen the leak, the high pH alarm would have alerted operators to the

problem. The spill was of small volume and was dealt with promptly, so the risk to the environment was minimal . However, this incident raised questions about how it could have happened.
TR2 had been offline while maintenance work was being carried out on the copper plating line. It is estimated that the longest time that the dosing pipe could have been out of the tank would have been three days. It only started to leak once the plant was started up again.
RM conducted an investigation following their internal procedures but the reason for the disconnection and subsequent placement are still unclear.

All pipes entering tanks are now secured with special grommets so that they cannot be accidentally pulled out of the tank. The grommet material was verified for suitable chemical resistance using the change procedure and the pipework specification procedure. It is most unlikely that a similar incident could recur.

In addition, the Permit to Work procedure is being modified.

There is no seal between the building's external cladding and the bund. This needs to be rectified as soon as possible and is raised as an action in the audit report.
***"Action 2:** Seal gap between outer cladding and top of bund wall in TR2 to prevent escape of spilled chemicals. **Photographic evidence of completion to be received by NRW by 22nd December 2018."***

NRW are confident that the measures put in place and those that are proposed will mean that a recurrence of this type of incident will be unlikely.

**3. Plant Inspection**
The plant inspected was generally clean and tidy.
The decommissioned room behind TR2 is becoming rather dilapidated and some of the old steel equipment is showing significant corrosion. RM should consider removing it. NRW appreciate that removal of the two tanks will be much more difficult, since they pose no hazard it may be better to leave them where they are.

The carbonate removal plant is also showing signs of its age and would benefit from a thorough clean and repainting of the carbonate filter press and any other equipment that is starting to corrode.

**4. Audit of Procedures**
This is dealt with in a separate audit report, but it was not as comprehensive as planned due to an unexpected fire alarm delaying the plant inspection.

**5. Brief discussion of audit findings**
Assessing the environmental risk from maintenance and repair operations is not part of RM's procedures for carrying out maintenance and repair tasks. A new maintenance work order system is currently being introduced and this has the facility to include environmental risk assessments.

Five actions and one recommendation were noted.
***Action 1:** Incorporate assessment of the environmental risk posed by the work on the plant, and by any inadvertent effect on adjacent equipment, into work instructions and operating procedures for maintenance and repair tasks.*
***Work instructions to be reviewed, amended where necessary and issued by 29th March 2019.***

***Action 2:** Seal gap between outer cladding and top of bund wall in TR2 to prevent escape of spilled chemicals. **Photographic evidence of completion to be received by NRW by 22nd December 2018.***

***Action 3:** Ensure level controls on Spaleck 1 are operational as soon as possible.*
***Confirmation to be received by NRW by 22nd December 2018.***

***Action 4:*** *Review maintenance operating instructions for the carbonate removal plant so that the proximity of other equipment is considered before work starts.* ***This is more urgent than Action 1 due to the cramped area and the nature of the chemicals treated there.***
***Issue amended operating instructions and send a copy to be received by NRW by 30th November 2018.***

***Action 5:*** *Ensure the correct chemical names are used in all documentation. Correct RA1013.*
***Amended copy to be received by NRW by 30$^{th}$ November 2018.***

***Recommendation 1:*** *Consider adding checks on pipework and checks for residues around joints, tanks, flanges, etc to work instructions.*

**6. AOB**
There was no other business to discuss.
**END.**

| Cyfoeth Naturiol Cymru Natural Resources Wales | EPR Compliance Assessment Report | Report ID: CAR_NRW0034138 |
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| Operator/Permit holder | The Royal Mint Ltd | Date | 30/10/2018 |

## 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.

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.