

Compliance Assessment Report CAR_NRW0041042

Permit being assessed: DP3430LX.

For: ZF Automotive UK LTD- Pontypool Site EPR/DP3430LX, held by ZF Automotive UK Ltd
At: ZF Automotive UK LTD- Pontypool Site, New Inn, Pontypool, Torfaen, NP4 0TL.

Type of assessment carried out: Report/Data Review, Reason: Routine.

On 27/01/2023.

Parts of permit assessed: 2.2.2.8 Emissions to sewer; 4.1.3 Annual Reports 2022; 4.1.5 EMS Targets Review 2022

NRW Lead Officer: Rebecca Green.

Report sent to: Shane Thomas, HS&E Manager on 07/02/2023.

1. Summary of our findings (full details in section 4)

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
A1 - Specified by permit	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
E4 - Emissions - Sewer	Assessed (A)	
E5 - Emissions - Waste	Assessed (A)	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	Assessed (A)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Assessed (A)	
H1 - Resource Efficiency - Efficient use of raw materials	Assessed (A)	
H2 - Resource Efficiency - Energy efficiency	Assessed (A)	

Result types are explained in more detail in the 'Important Information' section below.

Total number of non-compliances recorded	Total non-compliance score
0	0

How we use the non-compliance score to calculate your annual fee is explained in the 'Important Information' section below.

2. What action is required?

No action required.

3. What will happen next?

Any non-compliance we have identified and recorded on this form is an offence. It can result in criminal prosecution and/or suspension or revocation of your permit.

At this time, we do not intend to take any further action.

This statement does not stop us from taking additional enforcement action if further relevant information comes to light or offences continue.

4. Details of our assessment

Forms S1, Emissions to Sewer, 1st July to 31st December 2022 and 1st January to 31st December 2022; R1, Waste Disposal and Recovery 2022; E1, Energy Usage 2022; WU1, Water Usage 2022 and the EMS Targets Review 2022, were received on 27th January 2023. All the reports are accepted.

S1, Emissions to Sewer 2022

1st July to 31st December: All parameters were within their respective emission limit values.

1st January to 31st December: All parameters were within their respective emission limit values.

Production 2022

There was a decrease in production of plated parts of almost 50%, compared with 2021. However, production of anodised components rose by about 30%. Overall production volumes were similar to 2021.

E1, Energy Usage 2022

Total energy usage and associated CO₂ emissions were about 5% lower per unit of production than in 2021. The total amount of gas used was almost a third of the amount used in 2021.

WU1, Water Usage 2022

Total water usage was less than in 2021, reducing by about 3% per unit of production. Use per part has been reducing since 2017.

R1, Waste Disposal and Recovery 2022

The total amount of waste generated increased compared with 2021 and rose by almost 20% per unit of production. The total amount generated has been increasing since 2016.

This year's increase is, in part, due to difficulties with packaging the filter cake which means that sludge from the effluent treatment process has to be tankered off-site for disposal. ZF must determine a time frame for installing a new filter press.

Waste generated due to disposal of excess plating solution has reduced by more than 35% compared with 2021. The efforts that ZF have made to reduce this waste stream are appreciated.

4.1.5 EMS Targets Review 2022

Some targets have been put on hold due to corporate budgetary constraints. One of these is the purchase of a new filter press. This should not be delayed further as the amount of waste generated through disposal of sludge is becoming unacceptable.

Following the sale of the drumbrake site, ZF are no longer treating the Japanese knotweed on that site.

The remediation project for historic contamination continues and should be completed in 2023.

Most of the energy monitoring projects from 2021 are continuing, with systems and equipment being improved and developed.

The rinse tanks from the zinc-nickel process were routinely dropped as part of the weekly maintenance. They are now assessed for cleanliness to decide whether it is necessary to dispose of them. This should reduce water consumption and reduce volumes being discharged to sewer from the effluent treatment plant.

This has been another difficult year for all manufacturing industry, with those supplying the automotive sector being particularly affected. ZF have maintained production volumes, with a slight change in product mix and have met most of their 2022 EMS targets.

Disposal of sludge from the effluent treatment plant has been a problem. ZF have found another disposal route which should reduce the amount of waste tankered off-site, but they still need to seriously consider purchasing a new filter press in 2023.

The reductions in energy, water use and disposal of excess plating solution are very encouraging.

The drumbrake site was sold in 2022 and ZF have since decided to decommission the zinc plating plant. They should apply for a partial surrender of the EPR permit as soon as possible.

NRW hope that ZF will be able to reduce the amount of waste generated in 2023 whilst maintaining business volumes.

END.

If you have any queries about this report, or to discuss completion of any actions, please contact the NRW Officer named above.

Important information

Legal status of this report

Your permit is issued to you under the Environmental Permitting Regulations. You have a responsibility to comply with the conditions of your permit and prevent pollution/harm of the environment. You must also ensure that you comply with any other relevant legislation that may apply to your site's operations.

This report explains the findings of our assessment and any action you are required to take. We categorise non-compliance using our guidance for assessing non-compliance at regulated sites.

When we find potential non-compliance/s we will normally give you advice on how to maintain compliance.

To correct non-compliance, we may:

- require you to take specific actions
- issue a notice
- review the conditions of your permit.

Any advice and guidance we give will be without prejudice to any other enforcement response that we consider may be required.

Assessment results and non-compliance categories (used in section 1):

Assessment result	Description
Assessed (A)	Assessed or assessed in part, no evidence of non-compliance found
Action only (X)	Action only relating to the activity assessment
Ongoing (O)	Ongoing non-compliance, not scored

Non-compliance category	Description	Score
C1 Major	Potential to have a major, serious, persistent and/or extensive impact or effect on the environment, people and/or property	60
C2 Significant	Potential to have a significant impact or effect on the environment, people and/or property	31
C3 Minor	Potential to have a minor or minimal impact or effect on the environment, people and/or property	4
C4 No environmental impact	Non-compliance at a regulated site that cannot foreseeably have any impact on the environment, people and/or property	0.1

How we use assessment scores

The number and severity of non-compliances recorded in a year will affect your annual subsistence fee the following year. A non-compliance factor is added to your site's Operator

Performance Risk Appraisal (OPRA) score when we calculate your fee to reflect the additional resource we use to assess permit compliance.

What are suspended scores?

In line with our guidance, we may suspend scores for up to six months to allow time for remedial action to be taken. Suspended scores will be re-instated if the action is not completed.

Full list of Industry and Waste action criteria (used in section 1 and 2):**A: Permitted activities**

- A1 Specified by permit

B: Infrastructure

- B1 Infrastructure – Engineering for prevention and control of emissions
- B2 Infrastructure – Closure and decommissioning
- B3 Infrastructure – Site drainage engineering (clean and foul)
- B4 Infrastructure – Containment of stored materials
- B5 Infrastructure – Plant and equipment

C: General management

- C1 General management – Staff competency/training
- C2 General management – Management system and operating procedures
- C3 General management – Materials acceptance
- C4 General management – Storage, handling, labelling and segregation

D: Incident management

- D1 Incident management – Site security
- D2 Incident management – Accidents, emergency and incident planning

E: Emissions

- E1 Emissions – Air
- E2 Emissions – Land and groundwater
- E3 Emissions – Surface water
- E4 Emissions – Sewer
- E5 Emissions – Waste

F: Amenity

- F1 Amenity – Odour
- F2 Amenity – Noise
- F3 Amenity – Dust/fibres/particulates and litter
- F4 Amenity – Pests/birds and scavengers
- F5 Amenity – Deposits on road

G: Monitoring and records, maintenance and reporting

- G1 Monitoring and records, maintenance and reporting – Monitoring of emissions and environment
- G2 Monitoring and records, maintenance and reporting – Records of activity, site diary/journal/events
- G3 Monitoring and records, maintenance and reporting – Maintenance records
- G4 Monitoring and records, maintenance and reporting – Reporting and notification to Natural Resources Wales

H: Resources efficiency

- H1 Resource efficiency – Efficient use of raw materials
- H2 Resource efficiency – Energy efficiency

Enforcement response

Any permit condition non-compliance is an offence and we may take legal action against you. Action we take can include prosecution, serving a notice on you and/or suspension or revocation of your permit. See our Enforcement and Sanctions Guidance for further information.

Data protection notice

You should make sure that anyone named in this report knows that the information it contains will be processed by Natural Resources Wales to fulfil its regulatory and monitoring functions and to maintain the relevant public register(s).

We may also use and/or disclose the report in connection with:

- offering or providing you with our literature or services relating to environmental matters
- consulting with the public, public bodies and other organisations (e.g. 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 our service
- Freedom of Information Act or Environmental Information Regulations requests.

We may also pass it on to our agents or representatives to do these things on our behalf.

Disclosure of information – this report will be available to view on-line

If you think this report contains commercially confidential information that should not be placed on our public register, you must contact your local Natural Resources Wales office within **fifteen working days** of receiving this report, using the contact details in the accompanying email or letter. You must give a full explanation of why it should not be added to our public register, including specifying which information is commercially confidential. We will assess your request and respond to you within 20 working days to let you know if we agree to your request.

What do I do if I disagree with the report or have a complaint?

If you disagree with this compliance assessment report, you should contact the lead officer without delay to discuss your concerns.

If you are unable to resolve the issue with the lead officer or their line manager you should contact our Customer Contact team on 0300 065 3000 (Monday to Friday 08:00 – 18:00), or email enquiries@naturalresourceswales.gov.uk for details of how to raise your dispute further through our Complaints and Commendations procedure.

If you are dissatisfied with our response, you can contact the Public Services Ombudsman for Wales by phone on 0300 7900203 or by email at ask@ombudsman.wales

Welsh Language Standards

We are committed to establishing Natural Resources Wales as a naturally bilingual organisation. We will provide compliance reports in your preferred language.