

Compliance Assessment Report CAR_NRW0042266

Permit being assessed: VP3635SY.

For: Cellulose Extrusion Plant , **held by:** Viscose Closures Ltd

At: 22 Ferryboat Close , Swansea Enterprise Park, Swansea, SA6 8QN.

Type of assessment: Site Inspection,

Reason: Routine.

On: 18/07/2023 between 09:00 and 12:30.

Parts of permit assessed: Site Inspection.

NRW Lead Officer: Rhodri Morgan.

Report sent to: Rob Rodenburg, HSEQ Manager, on 16/08/2023.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR1A - Management - General management	Assessed (A)	
IR1C - Management - Energy Efficiency	Assessed (A)	
IR1E - Management - Avoidance, recovery and disposal of wastes produced by the activities	Assessed (A)	
IR4C - Information - Notification	Action only (X)	
IR1E - Management - Avoidance, recovery and disposal of wastes produced by the activities	Action only (X)	
IR1A - Management - General management	Action only (X)	

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

Total 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?

Criteria	Action needed	Complete by
IR4C	Action 042266/01 – Viscose to provide full details of the	06/10/2023

Criteria	Action needed	Complete by
	proposed change to the MCP, including the current and expected NOx output of the steam rising boiler.	
IR1E	Action 042266/02 – Viscose to provide NRW with an update on the hazardous waste disposal route following a trial of the waste disposal route in Scotland	06/10/2023
IR1A	Action 042266/03 – Viscose to provide NRW with copies of the most recent bund inspection and integrity checks; including the internal sumps.	06/10/2023

Compliance criteria codes are listed in the 'Important information' section below.

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

Viscose Closures Ltd (Viscose) manufactures hygienic cellulose rings for a variety of industries. These are used to provide a biodegradable self-shrinking tamper-proof seal on a large range of products. The product is applied wet and shrinks when dry, resulting in a smooth secondary sealant over a lid making it tamper evident and counterfeit proof.

The site is based in Swansea Enterprise Park; less than 100 metres from the River Tawe. There are 12 associated emissions to air from the process, with spent process fluids neutralised in the site effluent treatment plant prior to discharge to the foul network.

This was a pre-arranged familiarisation and introductory visit following the allocation of a new NRW regulatory officer.

Attendees

Viscose

Rob Rodenburg – Health, Safety, Environment and Quality Manager
Stephen Armstrong – Head of Operations

NRW

Rhodri Morgan – Senior Officer, Industry & Waste Regulation

Introductions and Overview

An introductory meeting was held where Viscose representatives provided a general overview of the business. All operations are now run through the Swansea facility following the closure of its satellite Site in Crawley.

The Site operates under two environmental permits; one issued by NRW (VP3635SY) for Part A(1) activities,

and one issued by the City and County of Swansea (Viscose Closures 04/04) for Part B activities.

The Part A(1) permitted process involves the production of biodegradable self-shrinking tamper evident bands from Cellulose. The facility operates on a batch process through a 3 – 4-week cycle. Manufacturing usually takes place over a 2-week period with the product converted and processed over the following 2 weeks.

This was the first visit by an NRW inspector since the Coronavirus (COVID-19) pandemic. The Site explained that production rates had been maintained throughout the pandemic to keep pace with a rise in demand from the hygiene and pharmaceutical sectors.

The operator has recently installed a 100KW solar power system to the roof of the factory, which is expected to provide annual savings of approximately £45,000. The site is exploring options to export residual electricity to the Grid to ensure the system is fully utilised. The Site demonstrated that energy is used efficiently throughout the facility; in line with permit condition 1.2.1.

Medium Combustion Plant Directive (MCPD)

A discussion was held on the Medium Combustion Plant Directive (MCPD), which applies to MCP with a capacity more than or equal to 1 megawatt thermal (MWth) and less than 50MWth burning any fuel. The MCPD sets out rules to control emissions of sulphur dioxide (SO₂), nitrogen oxides (NO_x) and particulates into the air.

The date by which an MCP is required to be permitted varies depending on the capacity of the combustion plant and whether the MCP is new or existing. A MCP is:

- Existing – if it's put into operation before 20 December 2018
- New – if it's put into operation on or after 20 December 2018

Operators must apply for a permit and have it in place by:

- 20 December 2018 or before it's commissioned, whichever is the later, if it's a new MCP.
- 1 January 2024 if it's an existing MCP and the capacity is between 5MWth and 50MWth.
- 1 January 2029 if it's an existing MCP and the capacity is between 1MWth and less than 5MWth

An existing MCP will become a new MCP if it's:

- altered or repaired and this changes the ELV for the worse, that is pollution levels are increased.
- substantially refurbished and the refurbishment costs are more than 50% of what a new comparable MCP would cost.

The Sites steam raising boiler has a thermal input capacity of 1.55MWth and was brought into operation before 20 December 2018; meaning it is currently classed as an existing MCP.

The operator is exploring the possibility of changing the fuel type of the steam raising boiler from natural gas to oil. The switch to oil has been prompted by rising gas prices and will lead to annual savings of approximately £180,000, based on the current market.

A discussion was held on the permitting requirements of the fuel change and whether the MCP would convert to a new MCP. The NRW officer explained as long as the proposed changes do not lead to an increase in pollution levels then the MCP would retain its status as an 'existing boiler' and will not require permitting until the 1 January 2029.

The operator has requested emissions data from the manufacturer of the boiler to determine the potential impact of the fuel change.

Action 042266/01 – Viscose to provide full details of the proposed change to the MCP, including the current and expected NOx output of the steam rising boiler.

A 20,000 litre bunded oil tank will be installed within the Site's car park to facilitate the switch to Oil. The installation of a fire barrier has been deemed necessary to ensure the installation complies with relevant guidelines.

The operator was reminded to ensure that the installation of the oil tank and associated pipework complies with the Oil Storage Regulations Wales (2016) and best practice guidance. Relevant site procedures should be updated to ensure any additional risks associated with the change of fuel are understood and that suitable mitigation measures put in place.

Waste Management

The site generates a hazardous waste stream (Wet Cellulose) during the production of the cellulose products. IBCs are used to temporarily store the waste within the Sites chemical storage bund (B9), before it is removed offsite.

The usual disposal route for the waste stream was disrupted towards the end of 2022, when the disposal company informed the operator that they would no longer be able to accept the waste. It is believed that ammonia emissions from the waste stream present specific challenges for the disposal of the waste.

The operator has potentially found an alternative disposal route via a waste incineration plant in Scotland. Samples of the waste stream have been sent to the plant to determine if they can accept the waste.

The operator is exploring options to reduce or eliminate the hazardous waste stream. NRW intent to explore this topic during future regulatory visits.

Action 042266/02 – Viscose to provide NRW with an update on the hazardous waste disposal route following a trial of the waste disposal route in Scotland.

A1 – Wet Scrubber Stack Replacement

The stack associated with the H₂S scrubbing plant is scheduled to be replaced in October 2023 after signs of degradation were noted during recent inspections.

The new stack has been planned as a "like for like" replacement, with the remainder of the scrubbing plant remaining untouched. Based on the information provided by the operator, NRW does not consider that a permit variation is required.

Annual monitoring of the emission points onsite is usually undertaken throughout October. The operator

should ensure that the annual stack monitoring exercise for 2023 is undertaken when the plant is fully operational.

The replacement has been previously addressed in CAR_NRW0040205.

Site Tour – Observations

A site tour was undertaken with Viscose representatives who provided an overview of Site activities. The Part A (1) permitted section of the factory was not in production during the visit, but activities were continuing in other areas.

The following locations were visited:

- Proposed location of bunded oil tank
- Emission Point A1 – H₂S scrubbing plant
- Emission Point A2
- Hazardous Waste Storage Area
- Bulk Chemical Storage Areas
- Extrusion Line
- Printing Areas
- Workshops
- PVC Plant
- Print Room

Whilst a detailed inspection was not undertaken, observations made throughout the site tour did not identify any apparent permit breaches.

A preventative maintenance scheme is utilised throughout the Site. This includes the inspection and regular maintenance of the primary and secondary containment systems in line with the agreed schedule (Figure 1).

Inspection item	Current inspection regime		
	Specific item	Time interval	Carried out by
Tanks	Tanks containing hazardous substances	6 months	Contractor
	All other tanks.	12 months	Contractor
Pipelines	Pipelines transferring caustic, sulphuric acid, steam and compressed air	6 months	Contractor
	All other pipelines.	24 months	Contractor
Bunds	-	6 months	In-house
Road surfaces	-	6 months	In-house
Grease interceptors	Surface water drains in yard and car park	24 months	Contractor

Figure 1 - Site Inspection Regime

Degradation was noted to the concrete surfaces of several of the secondary containment systems throughout

the Site. The operator explained how plans are in place to improve a selection of the bunded areas throughout the Site and highlighted a recently relined bunded area.

Action 042266/03 – Viscose to provide NRW with copies of the most recent bund inspection and integrity checks; including the internal sumps.

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.

If your assessment result in Section 1 is suspended, what does this mean?

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 compliance criteria (used in section 1 and 2):

1. Management

- IR1A – General management
- IR1B – Finance (only applicable to Landfill)
- IR1C – Energy efficiency
- IR1D - Efficient use of raw materials
- IR1E - Avoidance, recovery and disposal of wastes produced by the activities
- IR1F - Multiple operator installations

2. Operations

- IR2A – Permitted activities
- IR2B – The site
- IR2C – Operating techniques
- IR2D – Technical requirements
- IR2E – Improvement programme
- IR2F – Pre-operational conditions
- IR2G – Landfill engineering (only applicable to Landfill)
- IR2H – Waste acceptance (only applicable to Landfill)
- IR2I – Leachate levels (only applicable to Landfill)
- IR2J – Closure and aftercare (only applicable to Landfill)
- IR2K – Landfill gas management (only applicable to Landfill)

3. Emission and Monitoring

- IR3A – Emissions to water, air or land
- IR3B – Emissions of substances not controlled by emission limits
- IR3C – Odour
- IR3D – Noise and vibration
- IR3E – Monitoring
- IR3F – Pests
- IR3G – Air quality management plans
- IR3H – Monitoring for the purposes of the Industrial Emissions Directive (this heading includes Large Combustion Plants)
- IR3I – Fire

4. Information

- IR4A – Records
- IR4B – Reporting
- IR4C – Notification

Enforcement response

Any non-compliance with a permit condition 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 twenty 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 to 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.