

## Compliance Assessment Report CAR\_NRW0042849

<b>Permit number</b>	BX9455IF	<b>Operator name</b>	Hydro Aluminium UK Limited
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<b>Site name</b>	Hydro Aluminium UK Limited
<b>Site address</b>	Pantglas Industrial Estate, Bedwas, Caerphilly, CF83 8DR
<b>Assessment type</b>	Site Inspection

<b>Date of assessment</b>	26 July 2023	<b>Time in</b>	10:00	<b>Time out</b>	12:30
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<b>Parts of permit assessed</b>	See Part 4
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<b>NRW Lead officer</b>	Guy Baskerville	<b>Accompanied by</b>	Wayne Grimstead
<b>Report sent to – Name and position</b>	Michael Vernal HSE Manager	<b>Date</b>	22 November 2023

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

Part of permitted activity assessed (use action criteria below)	Assessment result	Permit condition
IR3B - Emission and Monitoring - Emissions of substances not controlled by emission limits	C3 Minor (suspended)	2.3.5
IR2D - Operations - Technical requirements	C3 Minor (suspended)	2.5.1
IR1A - Management - General management	C3 Minor	2.3.6

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

<b>Total number of non-compliances recorded</b>	<b>Total non-compliance score</b>
3	4

### 2. What action is required?

Criteria	Action needed	Complete by
IR3B	The operator shall provide third party assurances that the repairs made to the effluent treatment plant secondary containment infrastructure and the epoxy resin applied to its internal surfaces renders the containment infrastructure impermeable to the stored material (untreated effluent) and compliant with the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'. Note – specific reference to this guidance must be provided in your nominated third party's report.	16 February 2024
IR2D	The operator shall review waste storage and handling practices and instate measures to ensure that there are no releases to water or land during normal operation.	16 February 2024

Criteria	Action needed	Complete by
IR1A	The operator shall instate a record of all plant and equipment used in operating the permitted installation, the failure of which could lead to an adverse impact on the environment. For those plant and equipment identified, the operator shall instate a written or electronic maintenance programme and take measures to maintain and retain records of the maintenance those plant and equipment.	16 February 2024

Action 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 prosecutions and/or suspension or revocation of your permit.

### 4. Details of our assessment

The purpose of this Compliance Assessment Report (CAR) is to record Natural Resources Wales' (hereafter *NRW*) findings following an assessment of waste storage and containment measures.

#### Attendees:

##### Natural Resources Wales

Guy Baskerville [Senior Industry Regulation Officer]  
Wayne Grimstead [Team Leader – South East Industry Regulation Team]

##### Hydro Aluminium UK Limited

Michael Vernal (HSE Manager)

Compliance Assessment Report CAR\_NRW0041249 set the below action as a result of non-compliance with condition 2.3.5 of the environmental permit.

*The operator shall submit to NRW a plan of works to provide the effluent treatment plant with appropriate secondary containment infrastructure, for approval. The plan shall have regard for the advice and guidance regarding design, construction and capacity as set out in document 'CIRIA 736: Containment systems for the prevention of pollution'. The submission must provide a reasonable timetable of works for agreement. The operator shall carry out the works in accordance with the approved plan and agreed timetable.*

Condition 2.3.5 of the environmental permit states:

*All plant and equipment used in operating the Permitted Installation, the failure of which could lead to an adverse impact on the environment, shall be maintained in good operating condition.*

On 04 April 2023 the operator provided an update via email. The operator advised that repairs to the effluent treatment plant secondary containment infrastructure had yet to be undertaken but that a third-party contractor had been identified and the required repairs would be undertaken during a period of dry weather as soon as practicable. The operator confirmed that the repairs would be made to ensure that containment infrastructure met the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'.

On 14 April 2023 the operator provided an action timeline which set out that the repairs to the effluent treatment plant secondary containment infrastructure would be undertaken between week 16 (w/c 17 April 2023) and week 22 (w/c 29 May 2023). No plan of works or details of the repairs to be made were provided.

On 24 May 2023 the operator provided an update via email. The operator advised that the repairs to the effluent treatment plant secondary containment infrastructure had been undertaken.

During the compliance inspection undertaken on 26 July 2023, we inspected the effluent treatment plant secondary containment infrastructure. Blockwork and peeling fibreglass fascia repairs had been undertaken and the internal surfaces of the structure had been coated with a matte blue/grey epoxy resin (see photograph 1, 2, 3 and 4). It is

unclear what resin was used and whether its application in such conditions renders the containment infrastructure impermeable to the stored material (i.e. impermeable to chemical attack by untreated effluent – not clean water) and compliant with the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'. We requested that the operator seek third party assurances that it renders the containment infrastructure impermeable to the stored material and compliant with the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'. Please note that

Update: On 31 July 2023 the operator provided the Safety Data Sheet for MACROPOXY™ M262 Epoxy Finish.

This action remains incomplete until the operator is able to provide third party assurances that the repairs made to the effluent treatment plant secondary containment infrastructure and the epoxy resin applied to its internal surfaces renders the containment infrastructure impermeable to the stored material and compliant with the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'.

**The operator has failed to maintain all plant and equipment in good operating condition which could lead to an adverse impact on the environment. This represents non-compliance with the environmental permit.**

**As a result of this non-compliance a CCS Score [C3] has been recorded against compliance sub-criteria IR3B: Emissions of substances not controlled by emission limits. However, with consideration of the improvement work undertaken to date, this score is suspended pending the successful completion of outstanding actions by the given deadline.**

*Action 1: The operator shall provide third party assurances that the repairs made to the effluent treatment plant secondary containment infrastructure and the epoxy resin applied to its internal surfaces renders the containment infrastructure impermeable to the stored material (untreated effluent) and compliant with the guidance set out in 'CIRIA 736: Containment systems for the prevention of pollution'. Note – specific reference to this guidance must be provided in your nominated third party's report.*







Compliance Assessment Report CAR\_NRW0041249 set the below action as a result of non-compliance with condition 2.5.1 of the environmental permit.

*The operator shall review waste storage and handling practices and instate measures to ensure that there are no releases to water or land during normal operation.*

Condition 2.5.1 of the environmental permit states:

*The operator shall design, maintain and operate all facilities for the storage and handling of waste on the Permitted installation such that there are no releases to water or land during normal operation and that emissions to air and the accidental release to water or land are minimised.*

The previous inspection identified that waste filter cake produced by the effluent treatment plant is deposited directly into an open-topped skip within a building with very poorly maintained roof and wall cladding. Spilt waste filter cake was observed on the floor surrounding the skip and rainfall was mobilising the spilt waste filter cake. A crude trench and sump had been dug into the concrete floor of the building in an attempt to prevent the mobilised spilt waste filter cake from escaping. The observed condition of the building's concrete floor, trench and sump was very poor, and they are unlikely to be impermeable.

On 04 April 2023 the operator provided an update via email. The operator advised that repairs to the effluent treatment plant building had yet to be undertaken but that quotes were being sought from third parties to undertake the work.

On 14 April 2023 the operator provided an action timeline which set out that the repairs to the effluent treatment plant building would be undertaken between week 19 (w/c 08 May 2023) and week 26 (w/c 26 June 2023).

On 16 June 2023 the operator provided an update via email. The operator advised that quotes for the work to repair the effluent treatment plant building had been received and that they were ready to proceed but that an option to replace the entire effluent treatment plant and associated infrastructure was also being considered. The operator



requested that we consider extending the deadline of the action to allow them to fully consider the effluent treatment plant replacement project.

During the compliance inspection undertaken on 26 July 2023, we discussed this request with the operator and the wider proposal to replace the entire effluent treatment plant. The operator confirmed that the effluent treatment plant replacement project is paused and that the building cladding and floor would be repaired to prevent releases to water or land during normal operation and that emissions to air and the accidental release to water or land are minimised.

During the compliance inspection undertaken on 26 July 2023, we inspected the effluent treatment plant building and observed scaffolding had been erected around the building and cladding replacement was proceeding. The floor of the building remained in a state of significant disrepair (see photograph 5 and 6).

Update: Following the compliance inspection, the operator confirmed that cladding replacement was completed w/c 07 August 2023 (see photographs 7 and 8).

The action remains incomplete until the operator undertakes the effluent treatment building floor repairs to prevent releases to water or land during normal operation and that emissions to air and the accidental release to water or land are minimised.

**The operator has failed to design, maintain and operate facilities for the storage and handling of waste, such that there are no releases to water or land during normal operation. This represents non-compliance with the environmental permit.**

**As a result of this non-compliance a CCS Score [C3] has been recorded against compliance sub-criteria IR2D: Technical requirements. However, with consideration of the improvement work undertaken to date, this score is suspended pending the successful completion of outstanding actions by the given deadline.**

*Action 2: The operator shall review waste storage and handling practices and instate measures to ensure that there are no releases to water or land during normal operation.*



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The previous inspection identified that waste machining swarf is stored in open-topped skips outside the main processing building. The area where the skips are located does not benefit from an impermeable concrete pad or a sealed drainage system. Surface water gully pots are located nearby and the condition of the concrete surface is poor. Machining oil, coolant and other pollutants coating the swarf may be mobilised by rainfall and enter surface waters and/or penetrate the ground.

On 04 April 2023 the operator provided an update via email. The operator advised that they intend to commence briquetting swarf indoors and that the existing swarf skips will be removed. N.B. The operator advised in subsequent discussions that the briquetting proposal was not being carried forward at this time but may be revisited in the future.

On 14 April 2023 the operator provided an action timeline which set out that waste skips with removable steel covers will replace existing open-topped swarf skips between week 16 (w/c 17 April 2023) and week 18 (w/c 01 May 2023).

On 17 April 2023 the operator provided an update via email. The operator advised that new waste skips with removable steel covers will replace existing open-topped swarf skips w/c 17 April 2023.

On 24 May 2023 the operator provided an update via email. The operator confirmed that waste swarf was now stored in the new waste skips with removeable steel covers.

During the compliance inspection undertaken on 26 July 2023, we inspected the swarf storage area and new swarf skips. We observed repairs to the concrete surface and curbs in the vicinity of the skips (see photograph 9). The swarf skips appeared to be of sound construction and the steel covers appeared to be newly fabricated (see photograph 9 and 10). One swarf skip had its steel cover removed and the operator confirmed that swarf skips will remain uncovered until they are full. Given their weight, the steel covers must be removed by a forklift truck and the resource and logistical burden of removing and replacing the cover each time swarf is transferred to the skip is high.

With consideration of: the measures instated to prevent egress of rainwater into the swarf skips (and thus prevent machining oil, coolant and other pollutants coating the swarf becoming mobilised); the surface repairs undertaken in the vicinity of skips, and; the overall potential polluting impact of a minor release, we deem the continued storage of swarf in covered skips in this location acceptable. However, we encourage the operator to include the swarf skips and the concrete surface in the vicinity of the skips in its planned preventative maintenance programme. We also encourage the operator to instate procedures to ensure that swarf skips are covered as much as practicable, especially during rainfall events.



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Compliance Assessment Report CAR\_NRW0041249 set the below action as a result of non-compliance with condition 2.3.6 of the environmental permit.

*The operator shall instate a record of all plant and equipment used in operating the permitted installation, the failure of which could lead to an adverse impact on the environment. For those plant and equipment identified, the operator shall instate a written or electronic maintenance programme and take measures to maintain and retain records of the maintenance those plant and equipment.*

Condition 2.3.6 of the environmental permit states:

*The operator shall maintain a record of relevant plant and equipment covered by condition 2.3.5 and for such plant and equipment:*

*2.3.6.1 a written or electronic maintenance programme; and*

*2.3.6.2 records of its maintenance.*

The root-cause of the operator's failure to maintain plant and waste storage facilities is a failure to operate in accordance with a written or electronic maintenance programme.

On 14 April 2023 the operator provided an action timeline which set out that a written or electronic maintenance programme would be developed between week 17 (w/c 24 April 2023) and week 30 (w/c 24 July 2023).

During the compliance inspection undertaken on 26 July 2023, the operator was unable to provide evidence of a written or electronic maintenance programme or maintenance records. The action remains incomplete.

**As a result of this non-compliance a CCS Score [C3] has been recorded against compliance sub-criteria IR1A: General management.**

A C3 score has been levied as it is reasonably foreseeable that the failure to operate in accordance with a written or electronic maintenance programme in order to maintain all plant, equipment and waste storage facilities will result in a minor pollution of the environment.

*Action 3: The operator shall instate a record of all plant and equipment used in operating the permitted installation, the failure of which could lead to an adverse impact on the environment. For those plant and equipment identified, the operator shall instate a written or electronic maintenance programme and take measures to maintain and retain records of the maintenance those plant and equipment.*

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## Conclusion

Progress had been made towards addressing the non-compliances identified during the previous inspection, but work remains to close out the actions set in response to those non-compliances. Little effort has been directed at instating a planned preventative maintenance programme, the absence of which is the root cause of some of previously identified non-compliances. We shall be inspecting other plant and equipment, the failure of which could lead to an adverse impact on the environment, during future compliance inspections. With consideration of the effort and resource directed at infrastructure repairs to date, some non-compliance scores have been suspended and action deadlines extended, however we must consider our enforcement options should the revised deadlines not be met.

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[END]



## 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 in the aspects assessed.
Action only (X)	Action only relating to the activity assessment
Ongoing (O)	Ongoing non-compliance, not scored

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

### 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 – 18:00), or email [enquiries@naturalresourceswales.gov.uk](mailto: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](mailto: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.