

Compliance Assessment Report CAR_NRW0048378

Permit being assessed: BV0759IC.

For: Cardiff Rod & Bar Mill EPR/BV0759IC, **held by:** Celsa Manufacturing UK Ltd

At: PO Box 83 Cardiff Rod & Bar Mill Castle Works , East Moors Road, Tremorfa, Cardiff, South Wales, CF24 5NN.

Type of assessment: Site Inspection,

Reason: Routine.

On: 15/04/2025 between 10:00 and 14:00.

Parts of permit assessed: 1.3.1, 2.2.5.

NRW Lead Officer: Dale Padfield, accompanied by Brigid Armstead.

Report sent to: -, Environmental Manager, on 23/05/2025.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR1A - Installations - Management - General Management	Action only (X)	
IR2B - Installations - Operations - The site	Assessed (A)	
IR4B - Installations - Information - Reporting	Assessed (A)	
IR3A(1) - Installations - Emissions and monitoring - Emissions to water	Assessed (A)	
IR3A(2) - Installations - Emissions and monitoring - Emissions to air	Assessed (A)	

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
IR1A	Action 1 – Celsa 23rd May 2025: Please provide answers, information or copies of the documentation & reports as	18/07/2025

Criteria	Action needed	Complete by
	requested in the report - (numbered 1 to 11C).	

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

Celsa Manufacturing UK Limited (7 Steel UK Limited)

Rod & Bar Mill

EPR/BV0759IC

This compliance assessment report details the site visit undertaken by Natural Resources Wales (NRW) on the 15th of April 2025. The purpose of the visit was to inspect various aspects of water, effluent and oil processes and containment across the site. This compliance topic was partly informed by previous reports of oil within the East Bute Dock received in previous years. The oil has been reported and substantiated on several occasions, however the source of the oil has not been identified. Celsa have a discharge consent to discharge treated effluent to emission point W1, located in the South East corner of the dock. This correlates with the same location oil has been observed bubbling to the surface, however, Celsa have not utilised the discharge consent for over 2 years, indicating the source of the oil was not directly associated with any active release of effluent from the site. Furthermore, dye testing was undertaken on site to assess any leakage from the penstock valve and more stringent control measures have been implemented, which are detailed in earlier CAR forms. As such, this compliance work is being undertaken to provide further assurance of the sites management of oil and effluent containment. The inspection was the first part of a containment audit, the second part will involve the review of various aspects of the EMS, procedures & reports supporting overall management containment across the sites activities. An action has been issued to provide this information, which is detailed at the end of this CAR form.

The following items have also been assessed:

- Reporting forms W1 for January, February & March 2025
- Reporting form A1 for quarter one (January to March) 2025

Site inspection

On the 15th of April 2025 NRW undertook an inspection of the 'Rod and Bar facility. The inspection

had several objectives, which focused on the use and containment of water / effluent & oil. The inspection had a broad scope to provide an overview of the process flows and infrastructure supporting the use and containment of effluent and oil on site.

A brief overview of the areas / processes, and infrastructure seen during the visit is provided below.

Water is abstracted from East Bute dock under an abstraction licence. The abstraction location is in the same vicinity as the discharge point. The abstraction pump house and water meter were seen. The pumps used to abstract the water are 'dry' pumps there is no lubrication and therefore no oil is able to back – flow through the pipework to the dock. As such, the abstraction pumps are not a potential source for the oil seen within the dock. The abstraction meters are currently replaced annually (replacement is more cost-effective than calibration). It was queried if NRW would accept replacement of meters on a 2-yearly basis opposed to the yearly replacement currently undertaken. Based on the EA guidance for acceptable calibration periods for the type of meter (mechanical) and the abstracted water source, the 2-yearly proposal was accepted. Celsa discussed potentially replacing the meters with a more reliable type, such as a mag-flow meter. Celsa were advised to explore this option, as it may prove economical in terms of cost over the long term and would be less impactful on the environment in terms of wastage.

The process flow of abstracted water was explained, and the various aspects, such as the TEVA tower and chemical dosing, were seen. The chemical dosing (inlet water treatment) is subject to 24-hour monitoring by an external company with alarm and notification procedures to notify the control room of a water quality issue. The various chemical IBCs are subject to secondary containment at the TEVA tower.

Following treatment / cooling the water is pumped onward for process use. The water is sprayed via high powered jets to help remove the scale formed on the product and aid in cooling the hot rod and bar. Following use, the water is then considered process effluent containing scale & oil. The effluent is captured in the dedicated sealed drainage system which is channelled to the 'Scale pit'. The 'Scale pit' acts as the primary sump for all process water within the mill. Rainwater is also harvested from the roof and is discharged directly to the scale pit.

The oil delivery point was seen, oil tankers off-load at the bunded hook-up point, where the oil is transported via delivery lines to one of the several oil storage tanks located within the subsurface cellars. The delivery point was well labelled to ensure the correct tank receives the delivery.

There are a total of 15 subsurface cellars servicing the mill. Two of the cellars were inspected during the visit, these are known as the 'Bar mill cellar' and 'Cellar 2'. All cellars are routinely cleaned and inspected. The cellars house various process equipment, such as the oil tanks for the cutting, hydraulic and lubrication oils used within the mill, pumps and centrifuges for separating water contamination from the oil before it is re-circulated back to the tank & process. Several of the centrifuges have been replaced with newer more efficient models. Cellar 2 was seen to benefit with bunds for the oil tanks, however, the cellars themselves are deemed a form of secondary containment as the cellars are 'oil tight'. The primary purpose of bunds within the cellars is to contain any leak to a smaller area, aiding in any clean-up. Any oil spillage or leak would be captured within a bund or the various gullies and drainage channels. These are routinely checked and cleaned as part of the inspection and cleaning

programme. A sealed drainage system services each cellar, with all drainage from the cellars discharging to the scale pit.

Oil levels and pressures are closely monitored from the control room. The display screen showing the various tanks and pressure levels was seen in operation during the inspection. The control room operator will monitor the levels and pressures, which allow for an early detection of any issues or leaks etc. The oil use is closely monitored and is a priority KPI for the site with the usage discussed during the daily meetings. The pressure levels serve as a form of leak detection which provide fast detection of any leaks within the system, this serves as the sites LDAR...

Effluent is pumped from the scale pit to the dredger, There are several pumps on rotation, allowing contingency for pump failures and service rotation for maintenance. The dredger captures and removes the larger particles of scale, which are then taken to the minerals site for further processing. A coagulant is dosed at this stage before the effluent is discharged to the South clarifier. Scale and particulates settle out within the conical base of the clarifier, from here the settled 'sludge' is pumped to the settlement 'pond'. An oil skimmer sweeps the surface of the clarifier and removes oil, which is captured and transferred to a dedicated IBC. The treated effluent is then pumped onward either to be recirculated within the process or to the interceptor for discharge. A procedure is in place (ECP 35) which ensures effluent is within permitted compliance levels prior to any discharge to the dock via W1.

A project is underway to replace the interceptor, the civil works were seen to be in progress and close to completion during the visit. The new interceptor will replace the current one, which was discovered to be the incorrect class (class B) opposed to the required class A to meet the TPH ELV. Groundwater infiltrate into the excavation site required removing and treatment prior to a proposed discharge via the W1 discharge point. Several treatment processes were implemented to ensure ELV compliance along with contingency plans- including a hold tank, a re-circulation option along with robust sampling and analysis. Site reported that the majority of the treated groundwater was utilised on site.

The mill scale slurry pumped from the clarifier is stored in the settlement pond where it remains for a period of time to allow the water to drain away. The water is collected and diverted back to the scale pit via drainage channels to repeat the treatment cycle. The 'dry' scale is then sent to the minerals site for processing.

The North clarifier tank is not used for routine operation, but does serve as a calamity tank, providing buffering and storage capacity should the site require.

The ETP control was seen, with a screen displaying the various monitoring parameters being undertaken to ensure the ETP is operating optimally. Updates are provided during the daily operation meetings on the ETP operation.

The waste oil storage area was seen, this is an impermeable surface pad which is bunded (low level 'curb') and graded to ensure any leaks are contained on the pad. Adjacent to the pad are the emergency ponds, which are effectively concrete sumps able to provide storage capacity in the event of an emergency.

Document request

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Action 1 – Celsa 20th May 2025: Please provide answers, information or copies of the documentation & reports as requested below (1 - 11C). **Due July 18th 2025.**

1 - Daily ETP check records – checks for the 15th April 2025, 13th April 2025 and 2nd of April 2025.

2 - Daily ETP check records – evidence of an issue identified and work undertaken such as a work order & completion or close out report (to evidence use of the SAP PM system being utilised).

3 – Copies of the check & sign off sheet for the 3 most recent discharges made to the dock as per ECP 35.

4A - CCTV survey of drainage – copy of most recent CCTV survey report for site drainage.

- **4B** – Please provide details on what section(s) of site drainage have been surveyed?
- **4C** Is this part of a planned preventative maintenance (PPM) regime or done on an ad-hoc basis? If part of a PPM regime, please provide a details or a copy of the PPM schedule detailing the PPM regime & frequencies of maintenance or inspection for the drainage.
- **4D** – Are there any records held for the drainage construction for aspects such as materials of construction?

5A - Scale pit – copy of the procedure detailing the checks / preventative maintenance / integrity check and details of the frequency this is conducted.

- **5B** -Scale pit - copy of last inspection report.

6A – The following action was issued in CAR_NRW0039116:

“Update the site EMS system with a list of tanks and bunds to be scheduled into periodic inspection and maintenance, with the frequency of inspection, inspection and maintenance should align to CIRIA guidance”

Please provide a copy of this section of the sites EMS detailing the list of tanks and bunds and inspection frequencies.

- **6B** – Are all site sumps also incorporated into this list? If not, please also provide a list of the sites sumps and associated inspection frequencies.
- **6C** – The same CAR notes that a full inspection of the South Clarifier was scheduled for May 2022. Please provide a copy of this report, or of any full inspection that has taken place since.

7A. The North clarifier tank is no longer routinely used for ETP operation, however, it is used as a standby or calamity tank in the event issues arise on the South Clarifier or to provide additional storage capacity. As such, is the North clarifier tank also subject to a PPM regime?

- **7B** – If so, please provide a copy of the details of any preventative maintenance and frequency,

and any associated written procedures.

- **7C** – Has the North clarifier tank also been subject to a full inspection comparable to the South clarifier tank? If so, please provide the inspection report.

8A - Has the new interceptor and ancillary equipment (alarms / telemetry etc) been incorporated into the sites EMS & SAP PM?

- **8B** – If so, please provide a copy of the details of any preventative maintenance or inspection, frequency, and any associated written procedures.

9 – The waste oil storage location: Is this area subject to any checks to ensure the containment / surfacing is in an adequate condition? If so, please provide details / copies of any PPM regime and copies of the most recent checks.

10A – The scale / sludge de-watering ‘pond’: Is pond subject to a PPM regime to ensure its integrity remains intact? If so, please provide copies of any written procedures detailing the frequency and inspection.

10B – Please provide a copy of the last inspection for the scale sludge dewatering pond.

11A – The ‘emergency ponds’: During the inspection the emergency ponds were seen to be holding a quantity of water / liquid. In the event the ponds would be required to provide emergency storage, the capacity would be compromised by the quantity of liquid already present.

Are there any written procedures detailing regular checks and emptying of rainwater? If so please provide copies of the procedures.

- **11B** – Are the emergency ponds subject to any formal inspection or PPM regime to ensure their integrity remains intact? If so please provide details or copies of any PPM regime.
- **11C** – If available please provide a copy of the most recent integrity inspection for the emergency ponds.

Monitoring Returns

Emission point A1 – Quarter one (January – March) 2025

Report received within reporting window. NO_x emissions within permitted ELV. Report accepted.

Emission point W1 – January, February & March 2025

Some parameters exceeded their respective ELVs, however, no discharge was made to the dock during Q1 of 2025, therefore no non-compliance is issued for the apparent exceedance.

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.

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.