

Compliance Assessment Report CAR_NRW0049410

Permit being assessed: BV07671T.

For: Cardiff Section Mill, **held by:** 7 Steel Manufacturing (UK) Limited

At: Section Mill Tremorfa Works , Cardiff, Cardiff, Cardiff, CF24 5TH.

Type of assessment: Site Inspection,

Reason: Routine.

On: 14/08/2025 between 10:00 and 12:30.

Parts of permit assessed: 2.2.1.3, 2.4.1.2, 2.9.1.

NRW Lead Officer: Dale Padfield.

Report sent to: -, Environment Manager, on 17/09/2025.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR3A(2) - Installations - Emissions and monitoring - Emissions to air	Assessed (A)	
IR4B - Installations - Information - Reporting	Assessed (A)	
IR2C - Installations - Operations - Operating techniques	Assessed (A)	
IR1A - Installations - Management - General Management	Action only (X)	
IR1D - Installations - Management - Efficient use of raw materials	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
IR1A	Action 1: 7 Steel – Section Mill 17/09/2025: Please investigate and report back to NRW the bund status of the oil	31/10/2025

Criteria	Action needed	Complete by
	tank.	
IR1D	Action 2: 7 Steel – Section Mill 17/09/2025: With regards to the areas of improvement identified within the Section Mill Water efficiency report August 2025, have 7Steel made any progress with undertaking an engineering review in relation to the leak identified within the Pomini Mill heat exchanger? If not, 7Steel should devise a plan to undertake such a review and determine what action is required to stop the leak. Please report your findings to NRW.	31/10/2025

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

7 STEEL MANUFACTURING (UK) LIMITED

Sections Mill

EPR/BV0767IT

This Compliance assessment report covers the following topics:

- Site inspection undertaken on the 14/08/2025
- Quarter 2 (April – June) 2025 returns
- Close-out of actions from CAR_NRW0046350
- Close-out of action from CAR_NRW0048384

Site inspection 14th August 2025

The primary purpose of the site inspection was a familiarisation visit, to gain an appreciation of the process and site layout. A tour of the facility was conducted which provided an overview of the process from receipt of steel billet to final rolled product. Plans for the new re-heat furnace were discussed, along with the alteration of the layout / configuration of the furnace and stands which will improve efficiency. The new furnace is part of the 7Steels drive to further reduce carbon emissions and will be capable of utilising hydrogen as a fuel source. A permit variation application is currently with Natural Resources Wales Permitting team awaiting allocation.

No non-compliances were seen during the visit. However, one query was raised regarding an oil storage tank

located externally at the North end of the facility. The tank was sat on a concrete pad surrounded by unmade ground. The tank did not benefit from an external bund, however, it was unclear if the tank was integrally banded.

Action 1: 7 Steel – Section Mill 17/09/2025: Please investigate and report back to NRW the bund status of the oil tank. **Due 31/10/2025**

Quarter 1 (January – March) 2025 returns

The monitoring returns, as required by permit condition 2.2.1.3 were received within the reporting window and reported all parameters to be within their respective emission limits, the returns are accepted.

Close-out of action from CAR NRW0046350

The following actions were issued in CAR_NRW0046350, which are copied here for ease of reference.

‘Action 1: Permit condition 2.4.1.2 requires the operator to undertake periodic water use efficiency audits. Please send a copy of the most recent water efficiency use audit.

Action 2: If no water use efficiency audit has taken place within the last 3 years, NRW requests Celsa undertake a water use efficiency audit and utilise the findings to implement a plan to increase water use efficiency. Please send NRW a review of the audit including any planned actions to increase water use efficiency.

Action 3: If not already captured within the EMS, Celsa should embed a water use KPI with set annual targets and include these in future reports. Provide NRW with written confirmation when a KPI for water use is included within the EMS for the Section Mill.

Response to action 1: No recent report available, as such 7Steel undertook the action 2.

Response to action 2: A report ‘Section Mill Water efficiency report August 2025’ was submitted to satisfy action 2. A summary of the report is provided below.

Water Sources

The mill uses three types of water:

1. **Process Water** – A closed-loop system from Unifloc used for cooling motors, rollers, and emergency furnace cooling.
2. **Commercial Water** – Untreated water from Lisvane Reservoir used for topping up process water and cooling beds.
3. **Towns (Potable) Water** – Used in buildings (showers, kitchens) and as top-up for furnace and motor cooling systems.

Water Usage

Water is heavily used due to the nature of steel production. Four main closed-loop systems exist:

- Furnace cooling

- Motor cooling
- De-scaling and mill cooling
- Cooling bed evaporative system

Water is also used to cool products and transport mill scale to the treatment plant.

Commercial Water Management

- Used in de-scaling and cooling bed operations.
- Recycled through a treatment plant (clarifier, wells, cooling tower).
- Minimises losses and top-ups, with scale separated and disposed of as waste.

Towns Water Usage

- Primarily used in support buildings.
- Required for two closed-loop systems due to sensitive equipment.
- Cleaning practices prioritise dry methods and controlled water use.

2024 Consumption

Due to staffing changes, water consumption data was estimated:

- **Commercial Water:** 88,968 m³
- **Towns Water:** 76,082.72 m³
- **Total:** 165,050.72 m³

Wastewater

- **2024 Discharge to Sewer:** 16,031 m³
- Discharges occur intermittently due to maintenance or heavy rainfall.
- No process wastewater is discharged to surface water.

Minimisation Measures

- Water recirculation reduces top-up needs.
- Effluent discharge minimised, lowering costs.
- Water usage is reviewed monthly in EMS meetings.

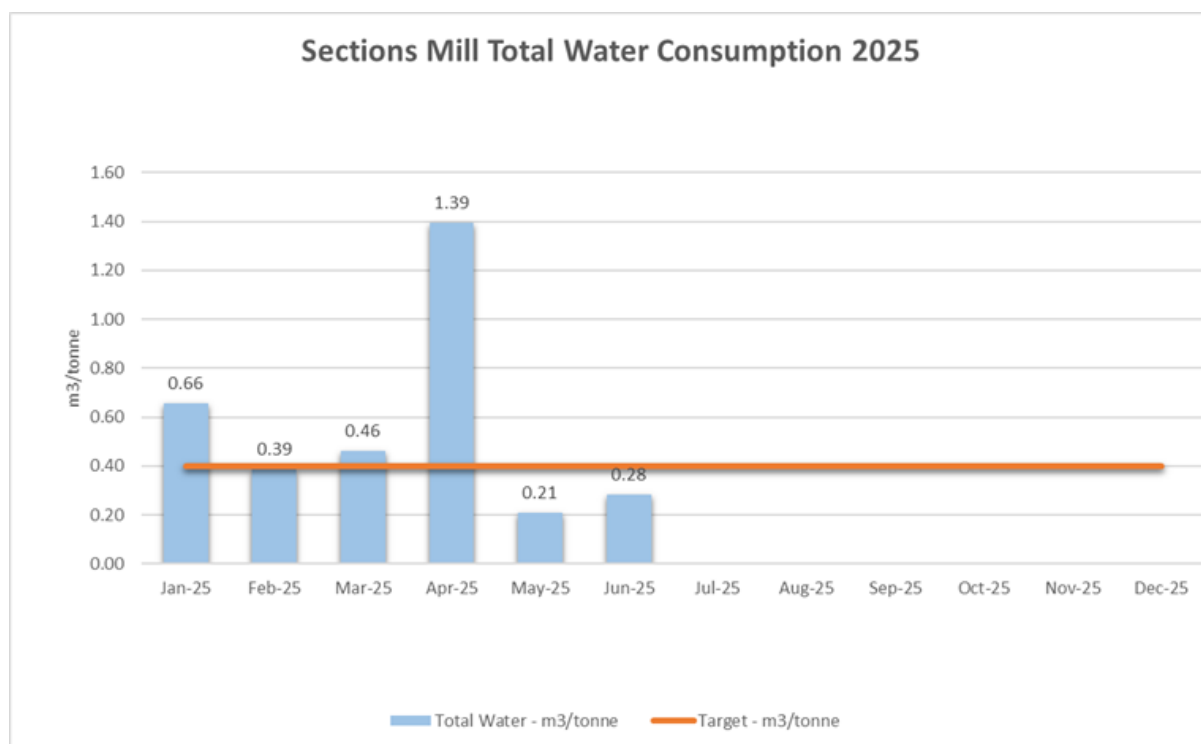
Identified Areas for Improvement

1. **Leak in Pomini Mill Heat Exchanger** – Causes increased Towns Water use; engineering review recommended.
2. **Filtration in New De-Scaler** – Dirty water affects nozzle efficiency; proposed installation of automatic filtration to reduce replacements and water loss – planned during shut-down for new furnace installation.

Action 2: 7 Steel – Section Mill 17/09/2025: With regards to the areas of improvement identified within the Section Mill Water efficiency report August 2025, have 7Steel made any progress with undertaking an engineering review in relation to the leak identified within the Pomini Mill heat exchanger? If not, 7Steel should devise a plan to undertake such a review and determine what action is required to stop the leak. Please report your findings to NRW. **Due 31/10/2025.**

Response to action 3

7Steel provided the following graph showing the KPI implemented for water use at the Section Mill. The action is considered complete.

**Close-out of action from CAR NRW0048384**

The following action was issued in CAR_NRW0048384, which has been copied here for ease of reference. The action was in relation to permit condition 2.9.1, preventing or minimising noise and vibration from the

installation.

'Action 1: Celsa (7Steel UK Limited) to explore and assess any feasible options for reducing noise on the Section Mill billet bank East entrance rail track. Once complete, please report your findings to NRW.'

Response to action 1: 7Steel have reported that the resident rail contractor (GB rail) has agreed to manually apply grease to areas of the on-site track that were causing an issue. Check sheets & procedures have been created and copies provided to NRW. The procedure details the section of track (Track ID 1051 Section Mill – Track ID 1055 Meltshop) along with type of grease and application details. Copies of the application logs have been provided for both the 07/07/25 and 17/07/2025. During the site visit, site staff noted that there has been a considerable reduction in noise related to the train movements along this section of track, confirming the new procedure has been effective. The action is considered complete.

Recommendation: As this procedure relates to noise control, it is recommended that 7Steel incorporate this procedure into the sites noise management plan.

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.