

## Compliance Assessment Report CAR\_NRW0050661

**Permit being assessed:** BV0767IT.

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

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

**Type of assessment:** Report/Data Review,

**Reason:** Routine.

**On:** 31/12/2025.

**Parts of permit assessed:** 4.1.2 / 4.1.3 /4.1.4 / 4.1.5.

**NRW Lead Officer:** Dale Padfield.

**Report sent to:** ~, Environment Manager, on 11/02/2026.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
IR1C - Installations - Management - Energy Efficiency	Assessed (A)	
IR3A(2) - Installations - Emissions and monitoring - Emissions to air	Assessed (A)	
IR1D - Installations - Management - Efficient use of raw materials	Assessed (A)	
IR4B - Installations - Information - Reporting	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?

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****7 Steel ~ Sections Mill****EPR/BV0767IT**

This compliance assessment report details CAR details the following:

- Annual reporting returns for 2025
- Quarter 3 (July – September) and quarter 4 (October – December) 2025 reporting returns
- Response to actions from CAR\_NRW0049410

**Annual Reporting Returns****Permit condition 4.1.4**

During 2025, 7 Steel Manufacturing (UK) Ltd conducted its annual review of fugitive emissions in accordance with permit condition 4.1.4. The review confirms that all existing control measures remain effective, with no complaints, incidents, or significant fugitive emissions recorded across air, water, sewer, or groundwater pathways.

**Air Emissions**

Key activities with potential for fugitive dust remain unchanged, namely furnace refractory works and scale removal. The furnace was maintained under negative pressure during refractory maintenance, and extraction systems operated to support safe working conditions. Waste materials were managed using sealed skips and specialist vacuum removal where appropriate. Scale removal, conducted weekly and during shutdowns, continued to pose minimal dust risk due to the nature of the material. No changes were made to these processes, and no air-quality-related complaints were received or identified.

**Water and Land Emissions**

Potential sources of fugitive emissions to water or ground, including leaks, spills, and drainage infrastructure, were effectively controlled through concrete hardstanding, impervious-lined building cellars, and appropriate drainage routing to combined sewers. No underground storage tanks are present. Internal routine inspections recorded no fugitive emissions or adverse events during the review period.

The review confirms that fugitive emission controls at the Section Mill remain robust, effective, and up to date. No operational changes affecting emissions occurred during 2025, and no complaints or environmental concerns were identified. Current management practices continue to meet permit requirements and demonstrate strong environmental performance.

**Permit Condition 4.1.5**

Under permit condition 4.1.5, the operator is required to submit an annual summary of progress against Environmental Management System (EMS) improvement targets. NRW has reviewed the operator's 2025 return to assess compliance

### Gas Consumption

- Target:  $\leq 439.20$  kWh/tonne
- Reported: 500.06 kWh/tonne

#### Operator explanation:

- Repeated furnace shutdowns required significant reheating energy.
- Plant utilisation dropped to as low as 46%, increasing specific consumption.
- Key operational constraint identified: Cardan Shaft failures, causing extended unplanned stoppages.

The operator has provided a credible explanation that links increased consumption to operational interruptions. Ongoing daily KPI monitoring is positive, though NRW notes that the pattern of unplanned stoppage may require root-cause mitigation to prevent future exceedances. 7Steel may want to consider further preventative maintenance measures to reduce Cardan shaft failures. An area of interest may be predictive monitoring, such as the use condition monitors, where vibration or temperature monitors can be used as an early indication of equipment failure.

### Electricity Consumption

- Target:  $\leq 85.10$  kWh/tonne
- Reported: 92.80 kWh/tonne

#### Operator explanation

- Electricity standardisation affected by process stoppages and cobbles.
- Non-rolling activities (e.g., warehouse crane use) continue to draw power even during outages.
- Rolling more small-section products increased energy intensity.

Electricity performance exceeded the target for reasons largely aligned with gas consumption issues. Although the operator isolates equipment during downtime, NRW notes that baseline site electricity demand remains significant, and opportunities may exist to review energy management outside production hours.

### Oil Consumption

- Target:  $\leq 0.51$  L/tonne
- Reported: 0.46 L/tonne

#### Operator explanation:

- 2024 improvement measures (leak detection, prompt repairs) continued successfully in 2025.
- Significant reductions achieved through:

- Replacement of Stacker pipework with stainless steel
- Rapid repair of major leaks at cooling bed hydraulics, cold shear and Pomini systems
- Increased inspection frequency and real-time monitoring of oil parameters

The oil target was achieved, with evidence of sustained investment in preventative maintenance and monitoring. This demonstrates effective implementation of EMS improvement actions.

The operator has fulfilled its reporting obligations under permit condition 4.1.5 and has demonstrated credible progress toward EMS objectives. While gas and electricity performance did not meet targets in 2025, NRW is satisfied that contributing factors have been clearly identified and addressed through operational monitoring and improvement initiatives.

**PI1 report:**

Review of the operator’s 2025 annual return form PI1, submitted in accordance with the Permit. The return provides statutory data on key performance indicators for the reporting period. The data is reviewed against previous years to identify any trends. The table below shows changes in KPI’s between 2024 and 2025.

Metric	2024	2025	Change
Production (rolled steel), t	213,386	209,700	-1.73%
Raw billet delivered, t	227,543	226,428	-0.49%
Water use intensity, L/t	422.13	487.12	+15.40%
Oil use intensity, L/t	0.42	0.46	+9.52%
NOx intensity, kg/t	0.035	0.035	~0.0%
SOx intensity, kg/t	0.0012	0.0013	+8.33%
NOx total, kg	7,468.51	7,372.17	-1.29%
SOx total, kg	256.06	279.68	+9.22%

The figures above highlight an increases in water use intensity and oil use intensity.

**Water & Oil Intensities (2020–2025)**

Year	Water Intensity (L/t)	Oil Intensity (L/t)
2020	366.45	0.96

<b>2021</b>	304.59	0.84
<b>2022</b>	396.83	0.91
<b>2023</b>	490.03	0.76
<b>2024</b>	422.13	0.42
<b>2025</b>	487.12	0.46

When compared to previous years data, as shown in the table above, it is evident that although oil intensity has shown a marginal increase on the 2024 usage, it is still significantly reduced compared to the previous years.

Water usage appears high when compared to historic data, the site undertook a water efficiency audit during 2025, with some improvements (as detailed below) still awaiting actioning, water usage will be re-assessed when the 2026 usage data is available, to see if the improvements have been successful in reducing specific consumption. However, based on the most recent best available techniques associated performance levels (BAT AEPL's) the site is operating below the lower bound of 0.5 m<sup>3</sup>/t, which is an exceptionally strong position.

NRW concludes that the operator has met its reporting obligations for the 2025. The submission is complete, accurate, and consistent with expected operating conditions. The report is accepted.

#### **Response to actions from CAR NRW0049410**

The actions are copied below for ease of reference.

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

*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.*

Responses:

Action 1: 7 Steel confirmed that the oil storage tank was integrally banded, with photos of the tank ID plate confirming the bund capacity of the tank. Action considered complete.

Action 2: An engineering review identified that a full set of cooler plates will be required in order to fix the leak. 7Steel have scheduled this to be undertaken during the shut down during February / March 2026. Action considered complete, an update should however be provided once the repair work has been undertaken.

**End.**

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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 required for the permit condition assessed to avoid non-compliance. No non-compliance scored at this time
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(1) – Emissions to water
- IR3A(2) – Emissions to air
- IR3A(3) – Emissions to 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.

### Disputing the Content of this Compliance Assessment Report Form

If you disagree with the content of this Compliance Assessment Report form, you should submit your concerns, in writing, to the regulating officer who issued it within **15 working days** of its issue. This will be treated as a **Stage 1 review**.

If you are not satisfied with the outcome of the stage 1 review, you may request a **Stage 2 appeal**. This request must be submitted **within 21 working days** of receiving the response from the stage 1 review.

Further details on our review and appeal process are available at: [Natural Resources Wales / Appeal a regulatory decision from Natural Resources Wales](#)

### Concerns Not Related to the Content of this Compliance Assessment Report Form

If your concerns do not relate to the content of the Compliance Assessment Report form, you should first attempt to resolve the issue with the regulating officer or their line manager.

If the issue remains unresolved, please contact our **Customer Contact Team**:

- **Telephone:** 0300 065 3000 (Monday to Friday, 09:00–17:00)
- **Email:** [enquiries@naturalresourceswales.gov.uk](mailto:enquiries@naturalresourceswales.gov.uk)

They will provide details on how to escalate your concerns through our **Complaints and Commendations procedure**.

If you are dissatisfied with our response, you may contact the **Public Services Ombudsman for Wales**:

- **Telephone:** 0300 790 0203
- **Email:** [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.