

Compliance Assessment Report CAR_NRW0051609

Permit being assessed: AB3493CS.

For: Unit 1- Crugmore Farm, **held by:** M D Recycling Limited

At: Crugmore Farm, Penparc, Cardigan, Ceredigion, SA43 1RD.

Type of assessment: Audit,

Reason: Routine.

On: 16/04/2026 between 11:20 and 14:30.

Parts of permit assessed: All.

NRW Lead Officer: Malcolm Dines, accompanied by Luke Taylor.

Report sent to: Marc Davies, Director and Technically Competent Manager, on 07/05/2026.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
W2A - Waste - Operations - Permitted activities	C3 Minor	2.1.1
W2A - Waste - Operations - Permitted activities	Action only (X)	
W1A - Waste - Management - General management	C3 Minor	1.1.1
W4B - Waste - Information - Reporting	C3 Minor	4.2.2
W1A - Waste - Management - General management	Action only (X)	
W1A - Waste - Management - General management	Action only (X)	
W3G - Waste - Emissions and monitoring - Fire	Action only (X)	
W2C - Waste - Operations - Operating techniques	C3 Minor	2.3.1

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

Total non-compliances recorded	Total non-compliance score
4	16

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
W2A	There must be no treatment of treated wood waste at the site	08/05/2026
W2A	All shredded wood waste must be removed from site and waste sampling and transfer notes must be submitted to Natural Resources Wales	07/06/2026
W1A	Review and update Environment Management System for this permit to take into account the following requirements: <ol style="list-style-type: none"> 1) All wastes accepted under this permit are classified in accordance with the guidance document, WM3 2) All "mirror-entry" wastes accepted under this permit are tested ensure that they are classified correctly, in accordance with WM3 3) All "mirror-entry" wastes exported from this permit are tested and classified in accordance with WM3. 	26/07/2026
W4B	Review the records for wastes accepted under this permit, correct any errors and re-submit the relevant quarterly waste return. If the review of wastes accepted identifies that this waste type was accepted, submit a written explanation of why this non-compliance occurred	07/06/2026
W1A	Submit for review the version of your management system in use on 16 April 2026.	07/06/2026
W1A	Update and submit the relevant sections of your Management System for how you will store wastes pending disposal or recovery elsewhere, in accordance with the Natural Resources Wales guidance document, "How to Comply with your Environmental Permit", that must include to following: <ol style="list-style-type: none"> 1) Maximum storage times 2) Maximum storage capacities for specified storage areas and the facility as a whole 3) Maximum storage heights to prevent or minimise the emission of dust 4) Procedures to ensure that storage times and capacities are not exceeded 5) How you will manage site throughput contingency plans in the event that the maximum storage capacity is reached and in the event that applications to authorise site extensions and new processes are not approved by 31 December 2027	26/07/2026
W3G	Submit for review the version of your Fire Prevention and Mitigation Plan in use on 16 April 2026. Compliance with your permit will be assessed on a subsequent compliance report.	07/06/2026
W2C	Ensure that the Transfer Shed roof is repaired and that the Transfer Shed meets the definition of a "building"	30/09/2026

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.

You are non-compliant with your permit.

We are currently considering taking enforcement action against you for the non-compliance recorded above. We will contact you in due course.

4. Details of our assessment

This was a routine compliance visit undertaken by Malcolm Dines (Waste Regulation Officer) and Luke Taylor (Senior Waste Regulation Officer). The officers met with Marc Davies (Director and Technically Competent Manager) who accompanied Luke Taylor on the site inspection. Malcolm Dines reviewed management procedures and records in the office.

Permit Breaches

W2A - Permitted Activities - Cat 3: Permit Rule 2.1.1

The company has been given this category 3 breach under rule 2.1.1 as you have been shredding (treating) waste wood, this is an activity your permit does not authorise and so your permit does not have appropriately assessed controls. While there is a T6 exemption notified at the site, a T6 exemption does not allow the shredding of treated woods such as MDF, plywood and other treated woods which, at the time of this compliance visit, were visible in the wood waste stockpile and was clear had been treated at the site and was being stored under this permit.

On compliance report CAR_NRW0044189, dated 4 June 2024, you were scored for the same breach and the report stated,

"You admitted that the wood waste from this site is shredded to reduce volume for transport. A previous compliance report - CAR_NRW0042585, dated 27 November 2023 - included an action requiring the company to ensure that it is compliant with the Environmental Permitting Regulations with regards the wood waste activity at the site."

There have been no reports of dust complaints and there is no evidence that the shredding of wood has resulted in significant dust production away from the treatment area and therefore, it is reasonably foreseeable that this breach of permit will only result in a minor pollution of the environment. As the company has been made aware on more than one previous occasion, that the shredding of treated waste wood is not authorised under this permit, or any other authorisation at the site, I will consider what enforcement action to take.

Action: There must be no treatment of treated wood waste at the site **with immediate effect**

Action: All shredded wood waste must be removed from site and waste sampling and transfer notes must be submitted to Natural Resources Wales **by 7 June 2026**

W1A - General Management - Cat 3: Permit Rule 1.1.1

The company has been given this category 3 breach of rule 1.1.1 because the waste classification processes for incoming and outgoing wastes are insufficient. A review of the quarterly waste returns for 2025 show that "mirror-entry" wastes: 17 02 01; 17 02 02; 17 02 03; 17 04 07; 17 08 02; 17 09 04 and 20 03 01 were accepted under this permit as non-hazardous however, when asked, the company did not have any records to demonstrate that any of these wastes had been tested or subjected to a classification process to demonstrate that they were actually non-hazardous. The company must ensure that it has adequate procedures so that either, the holder of the waste provides an appropriate waste analysis, or the company undertakes the analysis itself. The company must also ensure that there are procedures in place to ensure that all "mirror-entry" wastes exported from the site are tested and classified in accordance with WM3. All waste classification testing records must be retained in accordance with the permit.

The waste returns also show that waste codes 15 01 01; 15 01 03; and 15 01 07 were accepted at the site in 2025, but only waste type 15 01 07 was exported. Discussions on site made it clear that both paper and cardboard packaging, and wood packaging were exported under the code 19 12 12. Packaging wastes are received on-site as source-segregated wastes and cannot be mixed with other waste streams, therefore they must be exported as the same code that they are received under as they do not undergo any treatment under this permit as it only authorises the manual or mechanical sorting of wastes. WM3 makes it clear that packaging wastes cannot legally be classified under chapter 20 01, the title for chapter 20 01 excludes waste packaging, which is included in sub-chapter 15 01. Our discussions also highlighted that wastes should not be exported from the site under 19 12 codes as the wastes are not mechanically sorted in a way that changes the chemical or physical properties of that waste. Where mixed municipal wastes have been accepted and sorted under this permit, materials sorted will be classed as the relevant Chapter 20 code, while the residual waste will still be 20 03 01.

Action: Review and update Environment Management System for this permit to take into account the following requirements, **by 26 July 2026**

- All wastes accepted under this permit are classified in accordance with the guidance document, WM3
- All "mirror-entry" wastes accepted under this permit are tested ensure that they are classified correctly, in accordance with WM3
- All "mirror-entry" wastes exported from this permit are tested and classified in accordance with WM3.

Action: All waste classification testing records must be retained in accordance with the permit **with immediate effect**

W4B - Reporting - Cat 3: Permit Rule 4.2.2

The company has been given this category 3 breach of rule 4.2.2 because, as noted above, the waste returns for the permit for 2025 were reviewed before the site visit and show that 14 tonnes of waste EWC 19 09 04 were accepted at the site. This waste code is not authorised to be accepted under this permit. When this matter was raised, staff were not able to explain why non-permitted wastes have been accepted under this permit.

Action: review the records for wastes accepted under this permit, correct any errors and re-submit the relevant quarterly waste return. If the review of wastes accepted identifies

that this waste type was accepted, submit a written explanation of why this non-compliance occurred **by 7 June 2026**

W1A - General Management - Action Only: Permit Rule 1.1.1

The Company has been given this Action Only breach of rule 1.1.1 as the root cause of the above breach of permit condition 4.2.2: submitting waste returns that include an unpermitted waste type.

Action: submit for review, **by 7 June 2026**, the version of your management system in use on 16 April 2026. Compliance with your permit will be assessed on a subsequent compliance report.

As noted above, the review of the waste returns for 2025 show that no inert waste has been used in the the Deposit for Recovery activity since the volumetric survey was carried out in 2022. Since 2022, 33,366 tonnes of inert wastes have been accepted under this permit, all of which is still on-site. The Landfill Directive limits the amount of time that wastes destined for recovery or treatment, can be stored at a site to, as a general rule, three years. During discussions at this compliance visit, the company explained that Planning Permission has been submitted to develop the site to expand the site and operations to allow further treatment of aggregates, ensuring more material is recovered and can be used as a substitute for quarried material. Once planning permission has been secured, the company stated that an application will be submitted for a permit or a permit variation to allow the company to treat waste using the new process however, at present you do not have sufficient space to store this much waste and still enable safe operations.

Action: Update and submit the relevant sections of your Management System for how you will store wastes pending disposal or recovery elsewhere, in accordance with the Natural Resources Wales guidance document, "How to Comply with your Environmental Permit", that must include to following **by 26 July 2026**

- maximum storage times
- maximum storage capacities for specified storage areas and the facility as a whole
- maximum storage heights to prevent or minimise the emission of dust
- procedures to ensure that storage times and capacities are not exceeded
- how you will manage site throughput
- contingency plans in the event that the maximum storage capacity is reached and in the event that applications to authorise site extensions and new processes are not approved by 31 December 2027

W1A - Operating Techniques - Cat 3: Permit Rule 2.3.1

The company has been given this category 3 breach of Rule 2.3.1 because during the compliance visit it was seen that the condition of waste transfer building does not comply with this definition due to amount of roof panels that are missing. Permit condition 4.4.2 defines "building" as being,

"a construction that has the objective of providing sheltering cover and minimising emissions of noise, particulate matter, odour and litter."

Because of the missing roof panels, the transfer shed does not provide adequate sheltering cover, it does not comply with Operating Technique 1(c): *"all bulking, transfer or treatment of waste shall be carried out inside a building."*

Action: Ensure that the Transfer Shed roof is repaired and that the Transfer Shed meets

the definition of a "building" **by 30 September 2026.**

Other matters

Technical Competence

Technical competence for the site was assessed and the company is compliant with the permit for this site.

Fire Prevention and Mitigation Plan

Action: submit for review, **by 7 July 2026**, the version of your Fire Prevention and Mitigation Plan in use on 16 April 2026. Compliance with your permit will be assessed on a subsequent compliance report.

In this document 'Natural Resources Wales' means the Natural Resources Body for Wales established by Article 3 of the Natural Resources Body for Wales (Establishment) order 2012.

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 Waste compliance criteria (used in section 1 and 2):**1. Management**

- W1A – General management
- W1B – Energy Efficiency (MCP/SG facilities only)
- W1C – Avoidance, recovery and disposal of wastes produced by the activities

2. Operations

- W2A – Permitted activities
- W2B – Waste recovery plan
- W2C – Operating techniques
- W2D – The site
- W2E – Waste acceptance
- W2F – Technical requirements
- W2G – Improvement programme
- W2H – Pre-operational conditions

3. Emission and Monitoring

- W3A(1) – Emissions to water
- W3A(2) – Emissions to air
- W3A(3) – Emissions to land
- W3B – Emissions of substances not controlled by emission limits
- W3C – Odour
- W3D – Noise and vibration
- W3E – Monitoring
- W3F – Pests
- W3G – Fire

4. Information

- W4A – Records
- W4B – Reporting
- W4C – 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

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

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.