

Compliance Assessment Report CAR_NRW0051848

Permit being assessed: AB3090CC.

For: Argoed Farm AD Facility, **held by:** Derwent Renewable Power Ltd

At: Argoed, Trefeglwys, Caersws, Powys, SY17 5QT.

Type of assessment: Site Inspection,

Reason: Routine.

On: 01/05/2026 between 13:30 and 15:15.

Parts of permit assessed: All.

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

Report sent to: Roger Hughes, Director and Technically Competent Manager, on 15/05/2026.

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

Part of permitted activity assessed (compliance criteria)	Assessment result	Permit condition
W1A - Waste - Management - General management	C3 Minor (Suspended)	1.1.1(a)
W1A - Waste - Management - General management	C2 Significant (Suspended)	1.1.1(a)
W1A - Waste - Management - General management	Action only (X)	
W2A - Waste - Operations - Permitted activities	Action only (X)	
W2C - Waste - Operations - Operating techniques	Action only (X)	
W2C - Waste - Operations - Operating techniques	Action only (X)	
W2C - Waste - Operations - Operating techniques	Action only (X)	
W2C - Waste - Operations - Operating techniques	Action only (X)	
W3G - Waste - Emissions and monitoring - Fire	Action only (X)	

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

Total non-compliances recorded	Total non-compliance score
2	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
W1A	The Company has been given this Category 3 breach of permit condition 1.1.1 as it has failed to comply with the following actions required by Compliance Report CAR_NRW0050083 dated 05 December 2025: 1) Requirement to submit a report that identifies and details the root cause of the failure of the digester on 30 November 2024. 2) Submit copies of the site Inspection checklists for the period from 01/11/2025 to 05/12/2025	17/05/2026
W1A	Fully review and update the Management System for Argoed Farm Anaerobic Digestion plant to reflect all permitted activities and ensure that it is written in accordance with Natural Resources Wales' guidance document, 'How to Comply with your Environmental Permit'. The updated management system MUST include the requirement for a camera survey of the silage clamp perimeter drain to be undertaken every three months, as specified by Knights Construction in 2023	17/05/2026
W1A	Submit to Natural Resources Wales an electronic version of the updated Management System	17/05/2026
W2A	Submit copies of the following, or an explanation of why these records are not available: 1) ALL Biological Reports made since 1 April 2020 2) ALL daily/weekly check sheets since 1 April 2020 3) ALL Maintenance reports and records relating to the Digester tank since 1 April 2020 4) ALL records of de-gritting activities - other than any listed in points 1 to 3 above - carried out since 1 April 2020.	11/06/2026
W2C	ensure that the company undertakes and submits to Natural Resources Wales, a written report of the finding an assessment and inspection of all infrastructure requirements specified in Operating Techniques 1, 9, 10, 11 & 14 and secondary containment against the standards set out in CIRIA 736 or equivalent by an appropriately qualified certified engineer	11/06/2026
W2C	Ensure that the management system for Argoed Farm Anaerobic Digestion site includes a site drainage plan as required by Operating Technique 6	17/05/2026

Criteria	Action needed	Complete by
W2C	Ensure that no waste, feedstock or effluent is allowed to enter the surface water drains on the yard between the silage clamp and the reception hall	17/05/2026
W2C	Ensure that the management system for Argoed Farm Anaerobic Digestion site includes an inspection, maintenance and repair schedule of the facility's critical infrastructure as required by Operating Technique 8	17/05/2026
W3G	Submit a copy of the Fire Prevention and Mitigation Plan for Argoed Farm Anaerobic Digestion site, that is written using the current, relevant fire prevention plan guidance	11/06/2026

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) to assess progress with the reconstruction of the site and outstanding compliance actions as set out on Compliance Report CAR_NRW0050634, following the compliance visit on 5 February 2026. Officers met with

Roger Hughes (Director and Technically Competent Manager) and Harry Hughes (Trainee Site Manager).

Permit Breaches

W1A - General Management - Cat 3 (Suspended): Permit Rule 1.1.1(a)

The company has been given this suspended Category 3 breach of rule 1.1.1(a) as this was a compliance action on Compliance Report CAR_NRW0050634 following the failure of the company to comply with the following actions required by Compliance Report CAR_NRW0050083, dated 05 December 2025. The score is suspended because, on the day of this compliance visit, the compliance deadline had not passed.

1. Requirement to submit a report that identifies and details the root cause of the failure of the digester on 30 November 2024.
2. Submit copies of the site Inspection checklists for the period from 01/11/2025 to 05/12/2025

Page 24 of the Natural Resources Wales guidance document, "How to Comply with your Environmental Permit" states,

"A non-compliance or non-conformance refers to any activity on a permitted site that

does not meet the relevant permit condition or relevant legislation. Regulatory officers will inform you of any non-compliance they observe."

The guidance also sets out that in the event of being informed of ANY non-compliance, the company must:

- record it
- investigate to establish the root cause of the problem if needed
- record any action taken to resolve it
- consider whether you need to change any operations on site in response to the review of the non-compliance (part of your continuous improvement process)
- amend the management system to reflect changes
- make sure staff and managers are aware of changes
- tell us about the changes

This means that where the company has received a Compliance Report with non-compliances that have a required action, work must be carried out to resolve the non-compliance and record the actions taken. Where necessary the company must also update its management system and tell us about any changes made.

Additionally, Standard Rules Permit SR2010/12 was revised at the end of 2025 and the latest version - Version 1.2 - now includes rule 4.1.3 requiring the operator to maintain a record of any events of non-compliance and the measures taken to ensure compliance is restored in the shortest possible time.

During this compliance visit, the failure of the digester was discussed again and the company clarified that the large crust formation in 2023 was not the root cause of the failure of the digester in October 2024, but that the digestion process was never the same. The company also acknowledged that with hindsight the digester should have been drained down in 2023 and had a full maintenance check before being re-started, however the company took the advice of the maintenance contractor and did not do a full check of the digester.

An assessment of the cause and root cause of the failure of the digester in October 2025 will be carried out following the submission of the required report. This compliance breach has been suspended as the deadline for the action has not passed.

Action: Submit the following **by 17 May 2026:**

1. A report that identifies and details the root cause of the failure of the digester on 30 November 2024.
2. Copies of the site Inspection checklists for the period from 01/11/2025 to 05/12/2025

W1A - General Management - Cat 2 (Suspended): Permit Rule 1.1.1(a)

The company have been given this suspended Category 2 breach of rule 1.1.1(a) as the management system for Argoed Farm Anaerobic Digestion plant is inadequate. The company has not yet submitted this document however, the score is suspended as this was a compliance action on Compliance Report CAR_NRW0050634 and, on the day of this compliance visit, the deadline for compliance had not passed.

The management system submitted on 5 February 2026 had not been updated since

August 2024. As this was before the failure of the digester, the submitted management system will not include any changes required to prevent a re-occurrence of the failure of the digester. It also does not include any reference to the silage clamps or digestate lagoon, both of which are part of the permitted activity. It is reasonably foreseeable that the failure to have a suitable environmental management system for an anaerobic digestion plant may result in significant pollution of the environment. The Natural Resources Wales guidance document, "How to Comply with your Environmental Permit" sets out what a management system is expected to contain therefore, the management system for Argoed Farm Anaerobic Digestion plant must contain the following:

- Staffing, staff capability and training records.
- Records to demonstrate that the company is operating and managing the activities in compliance with the management system, including what records are going to be kept and where they will be held.
- Monitoring arrangements to comply with the monitoring conditions in the permit.
- A written Emissions Plan, because there is potential for a significant pollution beyond the site boundary.
- Records of the camera inspections of the silage clamp drainage channel

Action: Fully review and update the Management System for Argoed Farm Anaerobic Digestion plant to reflect all permitted activities and ensure that it is written in accordance with Natural Resources Wales' guidance document, '*How to Comply with your Environmental Permit*'. The updated management system **MUST** include the requirement for a camera survey of the silage clamp perimeter drain to be undertaken every three months, as specified by Knights Construction in 2023 **by 17 May 2026**

Action: Submit to Natural Resources Wales an electronic version of the updated Management System **by 17 May 2026**

Other Matters

W2C - Operating Techniques: Permit Rule 2.4.1 - Operating Technique 6: Site Drainage Plan

Under latest version of the ruleset for Standard Rules permit 2012/10, Operating Technique 6 under rule 2.4.1 requires the company to have a site drainage plan that clearly shows clean and dirty water drainage and detail any discharge points to groundwater or surface watercourses.

Action: Ensure that the management system for Argoed Farm Anaerobic Digestion site includes a site drainage plan as required by Operating Technique 6 **by 17 May 2026**

W2C - Operating Techniques: Permit Rule 2.4.1 - Operating Technique 7: Discharges to surface water

Under this rule, Operating Technique 7 requires discharges to surface watercourses to be of clean water only. At the end of the compliance visit, I highlighted that there was evidence of silage entering the surface water drains on the yard between the silage clamp and the reception hall. The company explained that this was silage spilt onto the yard in the course of bringing the silage into the silage clamp. It was re-iterated how important that no waste (including silage) is allowed to enter these drains as they are surface water drains that discharge to a watercourse. I explained that the company should

be using drain covers and spill kits when feedstock material is being moved in the yard, or near surface water drains. Although it was a small amount of silage, this can build up over time in the drains, especially if it is not cleaned-up as soon as practicable and this then result is chronic silage effluent pollution of the watercourse.

Due to the recent history of water pollution caused by effluent discharging from the site surface water drains, if any pollution of the watercourse is identified again in the future then Natural Resources Wales will look to serve notice to remove the surface water discharge from the site.

Any discharge of pollutant from the surface water drain, along with being a breach of rule 2.4.1, will also be a breach of the following permit rules:

- 3.1.1 - There shall be no point source emissions to air, water or land, except from the sources and emission points listed in table 3.1
- 3.2.1 - Emissions of substances not controlled by emission limits (excluding odour) shall not cause pollution. The operator shall not be taken to have breached this rule if appropriate measures, including, but not limited to, those specified in any approved emissions management plan, have been taken to prevent or where that is not practicable, to minimise, those emissions.
- 1.1.1(a) - The requirement to operate in accordance with a written management system that identifies and minimises risks of pollution. The Root Cause of a pollution of the watercourse due to waste or effluent entering the surface water drains will be the failure to operate in accordance with this rule.

Action: Ensure that no waste, feedstock or effluent is allowed to enter the surface water drains on the yard between the silage clamp and the reception hall **with immediate effect**

W2C - Operating Techniques: Permit Rule 2.4.1 - Operating Technique 8: Inspection, maintenance and repair schedule of the facility's critical infrastructure

Under latest version of the ruleset for Standard Rules permit 2012/10, Operating Technique 8 under permit condition 2.4.1 requires the company to have an inspection, maintenance and repair schedule of the facility's critical infrastructure, including the impermeable surfacing and drainage system and that it shall be implemented.

Action: Ensure that the management system for Argoed Farm Anaerobic Digestion site includes an inspection, maintenance and repair schedule of the facility's critical infrastructure as required by Operating Technique 8 **by 17 May 2026**

W2A - Permitted Activities - Action Only: Permit Rule 2.1.2 - Operating in accordance with manufacturers recommendations

Compliance Report CAR_NRW0050634 required the company to submit records to demonstrate compliance with rule 2.1.2, that *"process plant and equipment shall be commissioned, operated and maintained, and shall be fully documented and recorded, in accordance with the manufacturers recommendations."*

It is acknowledged that the deadline on the compliance report was before the date the compliance report was sent to Roger Hughes and therefore the deadline for this action has been extended to 11 June 2026.

During the compliance visit on 5 February 2026, the company explained that their

insurance company indicated that both incomplete mixing of the digestate and the formation of a thick crust in 2023 are causal factors for the failure of the digester.

The management system for Argoed Farm Anaerobic Digestion Plant also includes the document, *"Site Operations Risk Assessment version 1"*, dated 18 July 2017. This document includes an assessment of the risk of Crust Formation with the potential harm being,

"Pressure build up causing tank failure resulting in land, watercourse/ground water contamination".

This risk is assessed as having medium likelihood of occurrence with a high severity of impact and the risk needing to be managed is specified as,

"Pressure build up causing tank failure resulting in land, watercourse/ground water contamination"

The risk assessment lists the required documentation for managing this risk as,

"Marches Biogas Biological reports; Daily/ weekly checks sheet; Marches Biogas Maintenance reports and records"

Section 4.3.1 of the section of the Management System called, *"User Manual version 1"* dated 23/09/2016" specifies,

"De-gritting is performed nominally once a month, but this should be carried out much more frequently where feedstocks containing large quantities or grit are utilised."

Until 2023 feedstock of the digester included chicken manure from laying chickens which is known to be high in grit and therefore, due to the above section of the Management System, it is reasonable to expect that the anaerobic digester would have required de-gritting more frequently than once a month.

Permit rule 4.1.1(d) states that,

"All records required to be made by these standard rules shall be retained, unless otherwise agreed by Natural Resources Wales, for at least 6 years from the date when the records were made"

Action: Submit copies of the following, or an explanation of why these records are not available, **by 11 June 2026:**

1. ALL Biological Reports made since 1 April 2020
2. ALL daily/weekly check sheets since 1 April 2020
3. ALL Maintenance reports and records relating to the Digester tank since 1 April 2020
4. ALL records of de-gritting activities - other than any listed in points 1 to 3 above - carried out since 1 April 2020.

W2C - Operating Techniques - Action Only: Permit Condition 2.4.1 - Improvement Condition 1 Under Permit Condition 2.4.1 of the updated ruleset for Standard Rules permit 2012/10, Improvement Condition 1 requires The Company to: "Undertake an inspection and works programme to ensure that all infrastructure requirements specified in Operating Techniques 1, 9, 10, 11 & 14 are fit purpose."

Action: ensure that the company undertakes and submits to Natural Resources Wales, a written report of the finding an assessment and inspection of all infrastructure requirements specified in Operating Techniques 1, 9, 10, 11 & 14 and secondary containment against the standards set out in CIRIA 736 or equivalent by an appropriately qualified certified

engineer **by 11 June 2026**

W3G - Fire - Action Only: Permit Condition 3.7.1 - Fire Prevention Plan

Condition 3.7.1 of the latest ruleset for Standard Rules permit 2012/10 requires the company to,

"manage and operate the activities in accordance with a written fire prevention plan using the current, relevant fire prevention plan guidance."

Action: Submit a copy of the Fire Prevention and Mitigation Plan for Argoed Farm Anaerobic Digestion site, that is written using the current, relevant fire prevention plan guidance **by 11 June 2026**

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.