Compliance Assessment Report CAR_NRW0052147

Permit being assessed: BP1772IZ.

For: Poeton Cardiff, **held by:** Poeton (Cardiff) Limited

At: Poeton (Cardiff) Ltd, 283 Penarth Road, Cardiff, Cardiff, CF11 8UL.

Type of assessment: Report/Data Review,

Reason: Routine.

On: 05/06/2026 between 10:00 and 12:30.

Parts of permit assessed: 1.1.1, 3.2.3, 1.4, 3.3.3.

NRW Lead Officer: Dale Padfield.

Report sent to: ~, HSE and Facilities Manager, on 26/06/2026.

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	C2 Significant	1.1.1(a) & 1.1.1(b)
IR3B - Installations - Emissions and monitoring - Emissions of substances not controlled by emission limits	C2 Significant	3.2.3
IR3B - Installations - Emissions and monitoring - Emissions of substances not controlled by emission limits	Action only (X)	
IR1A - Installations - Management - General Management	Action only (X)	
IR1A - Installations - Management - General Management	Action only (X)	
IR3E - Installations - Emissions and monitoring - Monitoring	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	62

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 Poeton 19th June 2026: ~ A review of the sites EMS is currently been undertaken by a third party. Once complete, provide NRW with a copy of the impacts and aspects register, along with any risk assessment associated with the containment of chemicals including process tanks and bulk storage.	31/10/2026
IR3B	Action 2 ~ Poeton 19th June 2026: Undertake all repair work identified within the CIRIA C736 action plan provided, and provide confirmation once this has been completed.	31/12/2026
IR3B	Action 3 ~ Poeton 19th June 2026: It is understood that an additional containment assessment will be undertaken by a competent third party contractor following completion of the improvement work to rectify the more serious defects. Provide NRW a copy of the report once available. Due 31/10/2026.	31/01/2027
IR1A	Action 4 ~ Poeton 19th June 2026: Review and update the procedures which detail the assessment and management of the secondary containment measures across the facility. Ensure there is a clear definition between the various bunds, sumps and drip trays and appropriate measures are employed to mitigate the risks of failure from each. Provide NRW with copies of these procedures once complete.	30/11/2026
IR1A	Action 5 ~ Poeton 19th June 2026: Review the training requirements for operatives in relation to undertaking adequate visual and / or other assessment of the secondary containment bunds, as well as sumps and drip trays. The operator should also consider incorporating primary containment were appropriate. Where gaps are identified, the operator should seek to provide adequate training and resources to ensure staff responsible for this aspect are adequately trained. Provide NRW with an update on the conclusions once the review is undertaken.	30/11/2026
IR3E	Action 6 ~ Poeton XX June 2026: Provide NRW with a copy of the groundwater and soil site investigation report once this is available.	31/12/2026

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.

At this time, we are issuing you with a warning for the non-compliance recorded above. Warnings may influence future enforcement response for continued or further non-compliance.

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

Poeton Cardiff Ltd

EPR/BP1772IC

This compliance assessment report captures the following:

- Response to Actions issued in CAR_NRW0050205
- Response to Actions issued in CAR_NRW0050609
- Site visit undertaken on the 5/06/2026
- Waste minimisation report assessment

Response to actions issued in CAR_NRW0050205

The remaining actions are listed below for ease of reference.

Action 1 *~ Poeton 10th December 2025: Poeton to check all remaining bunds to ensure bund liners are welded and fit for purpose. Provide NRW with confirmation once complete.*

Response: Poeton sought a CIRIA C736 bund compliance survey by a third party specialist, this report is discussed further within this CAR form, however, this satisfied the action, which is considered complete.

Action 2 *~ Poeton 10th December 2025: Poeton should ensure that all new plant and infrastructure is subject to formal commissioning and sign-off, this will be of particular importance with regards to the new ETP.*

Response: Poeton reported that stage one ETP commissioning was to take place in February 2026, with the report to follow was complete. A document detailing commission of various aspects of the ETP was received in March. The action is considered complete.

Action OMA1~1*: Poeton to review their method against the standard (ISO 11885) to ensure all relevant aspects are covered, if gaps are identified, corrective actions should be implemented. Additionally, the relevant staff should familiarise themselves with the MCERTS programme, particularly the sections regarding self-monitoring and the associated quality assurance expectations.*

Response: Poeton undertook a full review of PCD 54 against ISO 11885 which highlighted two minor findings. ISO 11885 standard recommended checks are performed against the highest concentration standard, whereas the in-house procedure stated a mid-range standard. Poeton have amended the procedure. Some discrepancies were identified between the standard and the manufactures recommendations with regards to the specified wavelengths for some elements. Poeton have adopted

the manufacturers recommendations as they are likely more accurate than the general approach in the standard. Action complete.

Action OMA2 ~ 1*: Poeton to confirm the sample probe end the auto-sampler is suitably located.*

Response: An Mcerts survey was undertaken – the sample probe is located after the V-notch and prior to drain and does not touch the channel. This conforms with the guidance. Action complete.

Action OMA 2 ~ 3: *Identify and implement a suitable means to preserve a proportion of the composite sample for cyanide analysis.*

Response : Poeton have received a quote for an 'Aquamatic' refrigerated outdoor sample container, Poeton have raised a CAPEX and will purchase the new equipment once approval has been issued. Poeton should also consider any other requirements, such as pH adjustment to ensure cyanide sample integrity. Action complete.

Action OMA 3 ~ 1*: It is expected that any flow measurement requirements meet the MCERTS specifications, including assessment of the flow meter and the associated aspects of the sites management system by an MCERTS inspector. The assessments are then reported to the CSA group, who in turn report to the respective agencies – Environment Agency and NRW. These are seen as minimum requirements for self-monitoring of flow and it is expected that all installations undertaking an EPR activity producing and releasing effluent adhere to these requirements. As such, Poeton will need to comply with this aspect, an action with a deadline will be issued in the accompanying CAR form for this OMA report.*

Response: Mcerts survey of flow meter undertaken on the 16/04/2026, with a copy of the report provided to NRW. Poeton had requested an M-certified model from the supplier, however when this was queried it transpired that the wrong model had been fitted, which was a result of the wrong meter being supplied by the suppliers provider. Poeton has received a new Mcerts compliant meter which is scheduled to be fitted on the 01.06.2026. The V-notch has additionally been confirmed to be a 60-degree angle by the supplier. A follow-up inspection by the Mcerts inspector will be booked once the new meter has been installed. Action considered complete.

Action OMA 2 ~ 6*: Identify and implement an appropriate method of analysis for free cyanide.*

Response: New analytical equipment is being purchased to achieve appropriate measurement of cyanide. Poeton report that the equipment is part of the same CAPEX approval referenced in OMA 2 ~ 3. Any new analytical methods will need to be captured and detailed in the relevant procedures. Action Complete.

Action OMA 4 ~ 1: Implement a formal review procedure for assessing validity of data, including the use of analytical quality control charts, root cause investigation and recording of outcomes.

Action OMA 4 ~1: PCD 054 has been further updated and a new verification process created – 'PWI 016 verification of effluent sample data'. Action complete.

This concludes all the outstanding OMA actions.

Additionally, during a site visit on the 5th of June 2026, Poeton provided a further update, stating from

September all compliance cyanide samples will be sent to an external MCERTS accredited laboratory for analysis, along with metals samples and other parameters listed within the DCWW TEC. On-going onsite analysis will continue for quality assurance purposes, as discussed on site, this is an accepted approach to remain compliant with permit requirements and the use of a fully accredited laboratory is fully encouraged.

Response to Actions issued in CAR_NRW0050609

The actions are listed below for ease of reference.

Action 1 *– Poeton 06/02/2026: submit monthly total effluent volumes for 2025, as required by permit condition 4.2.3(a).*

Response: Effluent volumes received. Action complete.

Action 2 *- Poeton 6th of February 2026: Provide NRW with a report on the findings / outcomes of the tasks listed in A1.1, A1.2 and A1.3.*

Response:

A2.1 ~ All drainage areas that needed repair were reported to be foul domestic / process effluent post treatment / surface water.

A2.2 ~ All repairs were completed on the 09/02/2026 and Poeton assessed the risk to be low as the drainage was not carrying raw process effluent. However, there have been instances of elevated metals within the effluent, and the introduction of hazardous metals into the environment would still be considered a fugitive emission of substances form the installation. As discussed further below, a ground investigation is currently being planned, this will help identify if any pollution has occurred from the installation.

A2.3 ~ All repairs completed, post check via CCTV to be scheduled. All Action 2 points considered complete.

Action 3 *Poeton 6th of February 2026: Provide NRW with a copy of the CIRIA C736 bund survey report and a copy of the ETP commissioning report once available.*

Response: Initial commissioning report submitted, final commissioning report to be sent upon completion. A copy of the CIRIA C736 'Bund Audit Report' was received.

A review of the CIRIA C736 Audit report has raised some significant concerns regarding the effectiveness of secondary containment measures across the facility. The audit assessed four bunded areas across the site and found that all bunds failed multiple compliance criteria, with widespread deficiencies identified in structural integrity, impermeability, containment capacity (including failure to meet the 25% / 110% rules), and adequate freeboard allowance. In several cases, the bunds were determined to be not fit for purpose as secondary containment. Across the site, there are systemic issues, including insufficient containment capacity due to bund walls generally being too low to meet

CIRIA C736 requirements, along with poor impermeability caused by cracks, unsealed joints, failed welds, and gaps that would allow leaks to the ground. Structural deterioration is also evident, including corrosion, chemical attack, impact damage, and degraded coatings, compounded by unsealed penetrations and drainage pathways that enable uncontrolled discharge. Furthermore, there is a lack of design evidence, such as structural calculations or verification of adequacy, and inadequate protection from vehicle impact and unauthorised access. Overall, secondary containment across the site is systemically deficient, and multiple bunds would be unable to contain spills or tank failures, presenting a high likelihood of environmental contamination in the event of failure. As a result, significant repair, redesign, or replacement will be required to achieve compliance with the permit and meet the standards set out in CIRIA C736 .

Summary by Bund Area

1. Site Entrance / Process Water Bund

- Very poor condition; extensive cracking, corrosion, and failed lining
- Unsealed joints and penetrations; sump not connected
- Active leakage observed degrading structure
- Risk of direct discharge to sewer on failure
- Concluded to be **non-functional as secondary containment**.

2. Water Treatment Bund

- Plastic bund with failed welds and large gaps
- Sump not sealed to bund, containment effectively zero
- Insufficient capacity and freeboard
- Likely to **overflow into warehouse or escape to ground**

3. External Chemical Storage Bund

- Structurally better but still **non-compliant**
- Insufficient wall height and freeboard
- Cracking, unsealed joints, and deteriorated lining
- Risk of contamination to **adjacent ground and drainage**
- Requires significant upgrade to remain as secondary containment.

4. Internal Bund (Plating Area)

- Severe chemical damage and heavy corrosion
- Inadequate capacity; effectively acting as a drip tray

- Tanks positioned too close to walls, likely overtopping
- Tank failure could overwhelm the drip tray leading to spill on to the walkway, the underlying flooring was assessed as porous, enabling **rapid pollutant migration**.

Key Conclusions

- Secondary containment across the site is systemically deficient.
- Multiple bunds would not contain spills or tank failures.
- There is a high likelihood of environmental contamination if failures occur.
- Significant repair, redesign, or replacement is required to achieve compliance with CIRIA C736 and permit standards.

Although CIRIA C736 is a best practice guide and compliance with the standards is not a strict requirement, failing to comply with the standards set out in the document and failing to demonstrate any arrangements to provide an equivalent level of risk mitigation does demonstrate a significant non-compliance with permit condition 3.2.3:

> 3.2.3 All liquids in containers, whose emission to water or land could cause pollution, shall be provided with secondary containment, unless the operator has used other appropriate measures to prevent or where that is not practicable, to minimise, leakage and spillage from the primary container.

Furthermore, this also represents a breach of permit condition 1.1.1, which requires the operator to take all appropriate measures to prevent or, where that is not practicable, minimise pollution.

The report has indicated that the secondary containment measures across the entire facility has been deemed unfit for purpose, with the assessment concluding that the secondary containment in all areas of the site would be unlikely to contain a leak, spill or primary tank failure. In the absence of effective secondary containment, and with no evidence of appropriate alternative measures being implemented to provide an equivalent level of environmental protection, the operator has failed to implement appropriate measures to prevent pollution, contrary to condition 1.1.1.

When determining if this permit condition has been breached, consideration also need to be given to the applicability of the use of other appropriate measures to prevent or minimise leakage and spillage from the primary containment. It is noted that Poeton have identified the requirements of preventative maintenance for bunds, with procedure EPPI 01 section 4.12 listing the requirement for a ‘ monthly check of bunds via thorough visual inspection’ with further mention of visual integrity checks for tanks, pipework and ancillary equipment on a quarterly basis in section 4.14.

With regard to the primary containment, the scope of checks is limited to quarterly visual inspections. This frequency and limited scope would not be considered an appropriate alternative measure in circumstances where secondary containment has been assessed as ineffective or providing little to no

reliable containment capacity. In such cases, where secondary containment cannot be relied upon, primary containment integrity becomes the critical control measure. Appropriate measures would therefore be expected to include more frequent and robust inspection, maintenance, and testing regimes to ensure containment integrity and minimise the risk of undetected leaks or failures. It would also be expected that measures such as leak detection systems, overfill protection, high levels alarms with automatic shut-off valves and interlocking systems, which are subject to their own testing regime. All checks and maintenance should be done to written procedures, with clear assessment criteria and undertaken by someone suitably qualified, with the inspections documented and findings actioned. Others appropriate measure would include physical protection, such as barriers to prevent impact from vehicles or mobile plant, which the bund inspection report has highlighted as not present.

The measures employed at Poeton would not be considered appropriate to mitigate the risk of ineffective secondary containment. It is evident that facility would rely on the various bunds and secondary containment to contain any spill, leak or primary tank failure. Furthermore, it is a requirement, as listed in the 'How to comply with your environmental permit' guidance document, that all above ground tanks containing liquids whose spillage could be harmful to the environment must be bunded.

The chemical inventory used at the facility is highly hazardous and includes ~ Hexavalent chromium, cyanides, nickel compounds, cadmium compounds, acids (HF, HNO_3, H_2SO_4) as well as various solvents, cleaning agents, wetting agents and various surfactants. A significant proportion of these chemicals are classified as extremely toxic, corrosive, carcinogenic, bioaccumulative, highly toxic to aquatic life and persistent pollutants. Several of the chemicals held in the inventory are strictly controlled, and a large proportion of the inventory would pose a significant risk to human health and the environment in the event of an uncontrolled release. In considering this risk, NRW has applied the definition of "pollution" as set out in the Environmental Permitting (England and Wales) Regulations 2016. Part 1, Section 2 ("Interpretation: general") defines pollution as any emission as a result of human activity which may:

- be harmful to human health or the quality of the environment; or
- cause offence to a human sense.

Given the hazardous nature of the substances present on site, any loss of containment would meet this definition, with clear potential to cause harm to human health and/or environmental receptors, particularly soils and groundwater.

As stated in previously compliance assessments, NRW assigns a compliance score based on the potential environmental impact, rather than solely on whether actual harm has occurred.

Factors taken into consideration:

Potential risk: Even in the absence of a confirmed loss of containment, the current situation presents a credible and elevated risk. The secondary containment measures in place at the facility are considered inadequate and not fit for purpose. Furthermore, the site stores and processes a range of chemicals and wastes classified as hazardous. Consequently, any leaks, spills, incidents, or accidents

involving a failure of primary containment would present a heightened likelihood of harm or environmental pollution.

Worst case credible scenario: This assessment considers the environmental outcomes that could reasonably be expected to arise under the prevailing site conditions. The identified deficiencies in secondary containment represent a failure of a key control measure intended to prevent the release of hazardous substances. As a result, there is an increased likelihood that leaks, spills, or other incidents involving loss of primary containment would not be effectively contained or controlled. In such circumstances, there is a credible risk of chemicals, contaminated water, or effluent being released to ground, which could result in the contamination of underlying soils and groundwater.

The CIRIA C736 report identifies multiple areas where such failures could occur due to the poor condition noted for several of the bunds and sumps. The presence of unmade ground downgradient of the chemical storage area has been identified as a potential pathway for pollutant migration in the event of a significant loss of primary containment. There is also a possible linkage to storm drainage infrastructure, which may provide an additional pathway for pollution, with the drainage linked to the roof rainwater being discharged to a drainage that is linked to a soak-away.

The aforementioned report highlights several deficiencies and indicates a high potential for the escape of contaminated effluents, resulting in a significant pollution linkage. Accordingly, the worst-case credible scenario is assessed as either:

- a substantial loss of primary containment leading to the release of chemical inventory or effluent to ground; or
- a prolonged, low-rate leak of chemical inventory or effluent to ground.

In both scenarios, hazardous substances could infiltrate and contaminate the underlying soil and groundwater.

The site is not located within a Source Protection Zone (SPZ), nor is it situated in proximity to any designated sites or significant watercourses. Notwithstanding this, a material risk to groundwater remains.

Although the site does not fall within a source protection zone (SPZ), and the underlying aquifer is classified as a Secondary Aquifer, Natural Resources Wales (NRW) recognises all groundwater resources as being of environmental importance. This is particularly relevant in the context of climate change and increasing pressures on water resources, which enhance the potential future value of groundwater reserves.

Accordingly, all groundwater should be regarded as a potential resource requiring protection from pollution and deterioration in quality.

When the above is taken into context of the NRW non-compliance scoring guidance for impacts to groundwater, the relevant criteria for a significant impact is defined as:

"Significant but normally localised effect which has a significant impact on the quality or use of that water ~ Groundwaters: Category 2 impact where contaminants are known to have caused or are in sufficient concentration that they are likely to cause:

• the impacts described above on surface waters as a result of contaminants being transmitted in the groundwater flow;

• hazardous substances discernible above pre-existing levels in the groundwater within 50 metres; or

• non-hazardous pollutants exceed the relevant environmental standards applicable to that groundwater beyond 50 metres."

When considered against NRW's non-compliance scoring guidance, the circumstances at the facility are consistent with a **Category 2 (significant) potential impact to groundwater**.

The facility stores and processes a range of hazardous substances, including substances classified as toxic, carcinogenic, bioaccumulative, persistent, and highly toxic to aquatic life. These substances present a **high pollution potential** in the event of a loss of containment.

The CIRIA C736 audit has identified that secondary containment measures across the site are **systemically deficient and not fit for purpose**, meaning that a key control measure designed to prevent the release of pollutants cannot be relied upon. In addition, appropriate alternative measures to mitigate this risk have not been demonstrated.

There are **identified and credible pollutant linkages**, including:

- direct discharge to ground via defective bunds and unsealed surfaces
- permeable and unmade ground in downgradient areas
- potential connectivity to drainage systems and soakaways

In the event of a loss of primary containment, these pathways provide a **realistic mechanism** for hazardous substances to enter the ground and migrate towards underlying groundwater.

The underlying aquifer is classified as a Secondary Aquifer, and although the site is not located within a Source Protection Zone, groundwater remains a **sensitive receptor requiring protection**.

Given:

- the **hazardous nature of the substances present**,
- the **failure of secondary containment**,
- the **absence of equivalent alternative controls**, and
- the presence of **viable pollutant pathways**,

it is reasonable to conclude that a pollution event could result in hazardous substances entering the groundwater at concentrations sufficient to be discernible above background levels within a localised

area (e.g. within 50 metres).

This aligns with NRW's definition of a **Category 2 impact**, being a significant but typically localised effect on groundwater quality.

Non-compliance: A significant **category 2 non-compliance** is issued for the site failing to meet the requirements of **permit condition 3.2.3**, whereby, containers containing hazardous liquids have not been provided with adequate secondary containment and appropriate alternative measures have not been employed, posing a significant risk of pollution to groundwater.

Although Poeton are currently employing measures to rectify the deficiencies, the root cause of the permit non-compliance has not been adequately identified, investigated, or addressed. While Poeton has procedures in place that include elements of preventative maintenance for bunds, tanks, and ancillary equipment, such as routine visual inspections, it is evident from the findings of the CIRIA C736 report that these measures have not been effective in maintaining the integrity of the secondary containment infrastructure. This is demonstrated by the multiple defects identified across all areas of secondary containment.

Although some evidence of repair works was noted, indicating an intention to address deficiencies, the repairs identified within the report have not been effective in ensuring that the secondary containment systems remain fit for purpose. The continued presence of defects indicates that the remedial actions undertaken have failed to adequately mitigate the risk of containment failure.

Certain deficiencies identified in the report, such as those relating to design standards, may represent legacy issues, given that the site was operational prior to the publication of CIRIA C736. However, the operator has failed to keep pace with subsequent changes in guidance, and where modifications have been undertaken, these have not consistently taken account of current best practice. Furthermore, key elements such as chemical-resistant coatings have not been appropriately maintained, resulting in the secondary containment infrastructure falling into a general state of disrepair. The reliance on localised or short-term repairs indicates a reactive approach to maintenance, which has not addressed the underlying causes of failure and has allowed systems to fall into a general state of disrepair.

During a site inspection conducted on 05 June 2026, Poeton confirmed that visual inspections of containment infrastructure are not undertaken in accordance with formal written procedures. Existing documentation provides only limited reference to the requirement for such inspections and does not set out clear or detailed instructions on how these should be conducted.

When questioned on the management of the site's secondary containment infrastructure, it became apparent that the underlying issue is either an insufficient assessment of the risks associated with chemical containment or a disconnect between the identified risks and the operational controls in place. Specifically, the current inspection regimes and procedures do not appear to reflect the level of risk posed by the storage of chemicals on site.

Although the site's risk register identifies the requirement for chemical storage facilities to be equipped with secondary containment, the controls implemented are limited in scope and have not proven effective in managing this environmental aspect. This indicates a gap between risk identification and the implementation of appropriate and robust control measures within the site's

EMS.

Taken together, these findings demonstrate that the operator has not operated the installation in accordance with a management system that effectively **identifies and minimises risks of pollution**, as required by permit condition 1.1.1(a). In particular, the management system has failed to:

- identify and respond to the progressive deterioration of secondary containment systems;
- implement inspection and maintenance regimes of sufficient scope and frequency to detect and address defects;
- ensure that defects are appropriately recorded, prioritised, and resolved; and
- incorporate relevant guidance and emerging best practice into the management of containment infrastructure.

Furthermore, the extent and persistence of the deficiencies indicate that **sufficient competent personnel and resources have not been deployed** to ensure that critical pollution prevention infrastructure is maintained in a fit-for-purpose condition, as required by permit condition 1.1.1(b). Given the nature and extent of the deficiencies identified, it is necessary to further assess the severity and underlying causes of the non-compliance.

This non-compliance cannot reasonably be scored lower than a Category 2 breach. The primary non-compliance is assessed as having the potential to result in a Category 2 level environmental impact, therefore the associated management system failures are likewise considered to present a significant Category 2 risk.

In assessing whether the management system failures could give rise to a more severe (Category 1) impact, consideration has been given to the relevant guidance, which includes a threshold of hazardous substances being detectable above background levels in groundwater at distances exceeding 50 metres within an aquifer. While the operator has demonstrated the existence of secondary containment and some procedural controls, these measures are limited in scope and insufficiently robust. Consequently, a residual risk remains, which has permitted the containment system to fall into a general state of disrepair.

The quantities of hazardous substances and process chemicals stored on site are substantial. However, externally stored substances are primarily held in Intermediate Bulk Containers (IBCs). The most credible failure scenario would involve the loss of a limited number of containers due to stacking or racking failure, thereby restricting the total quantity potentially released.

There are limited pathways available for the uncontrolled migration of substances; it is likely that a proportion of any loss of inventory would be retained within the existing infrastructure. However, it is equally likely that some loss could occur via identified pathways, resulting in contamination of soil and/or groundwater.

With regard to internal processing tanks, a failure could result in a larger volume release. That said,

pathways for the rapid escape of significant quantities of process chemicals are limited. While some areas of containment infrastructure are in poor condition, they would likely provide partial containment, allowing time for spill response procedures to be implemented and thereby limiting the extent of any release.

Taking all factors into consideration, and consistent with the assessment of the primary non-compliance, the management system failure is also assigned a Category 2 score. This reflects the operator's failure to adequately identify and minimise pollution risk through the effective maintenance of pollution prevention infrastructure.

Non-compliance: A significant **category 2 non-compliance** is issued for the operator failing to manage and operate the activities in accordance with a written management system that identifies and minimises the risks of pollution arising from operations, using sufficient competent persons and resources. Permit Conditions 1.1.1 (a) and 1.1.1 (b).

Action 1 ~ Poeton 19th June 2026: A review of the sites EMS is currently been undertaken by a third party. Once complete, provide NRW with a copy of the impacts and aspects register, along with any risk assessment associated with the containment of chemicals including process tanks and bulk storage. **Due 31/10/2026**

Action 2 ~ Poeton 19th June 2026: Undertake all repair work identified within the CIRIA C736 action plan provided, and provide confirmation once this has been completed. **31/12/2026.**

Action 3 ~ Poeton 19th June 2026: It is understood that an additional containment assessment will be undertaken by a competent third party contractor following completion of the improvement work to rectify the more serious defects. Provide NRW a copy of the report once available. **Due 31/01/2027.**

Action 4 ~ Poeton 19th June 2026: Review and update the procedures which detail the assessment and management of the secondary containment measures across the facility. Ensure there is a clear definition between the various bunds, sumps and drip trays and appropriate measures are employed to mitigate the risks of failure from each. Provide NRW with copies of these procedures once complete. **Due 30/11/2026.**

Action 5 ~ Poeton 19th June 2026: Review the training requirements for operatives in relation to undertaking adequate visual and / or other assessment of the secondary containment bunds, as well as sumps and drip trays. The operator should also consider incorporating primary containment were appropriate. Where gaps are identified, the operator should seek to provide adequate training and resources to ensure staff responsible for this aspect are adequately trained. Provide NRW with an update on the conclusions once the review is undertaken. **Due 30/11/2026.**

The deficiencies identified in the CIRIA C736 report have identified an actual potential for groundwater and soil impact, to assess if any contamination has occurred, Poeton need to undertake groundwater and soil monitoring. Additionally, permit condition 3.1.4 requires the operator to undertake periodic groundwater and soil monitoring every 5 and 10 years respectively. The last round of groundwater monitoring was undertaken in 2021, as such would be due this year regardless of issues identified. It is unknown when the last round of soil monitoring was undertaken , as such, Poeton will

be undertaking soil monitoring as part of this round of monitoring. It is understood that Poeton have already initiated discussions with a third party contractor to undertake these monitoring requirements.

Action 6 ~ Poeton XX June 2026: Provide NRW with a copy of the groundwater and soil site investigation report once this is available**. Due 31/12/2026.**

It is acknowledged that Poeton has responded promptly and constructively to the issues identified in relation to the secondary containment, following the findings of the CIRIA C736 report, and continues to take steps towards restoring compliance at the facility.

However, notwithstanding this positive engagement, the operator has failed to ensure the adequate maintenance of critical pollution prevention infrastructure. This failure represents a significant breach of permit requirements.

Accordingly, on this occasion, a **Warning is issued** in association with this Compliance Assessment Report (CAR)

This enforcement response may be subject to escalation should further information become available indicating that the potential environmental impact is of a higher category, that additional non-compliances are present, or that there is evidence of a historical or ongoing pollution incident. Such information may arise, for example, from the findings of the forthcoming ground investigation or other relevant assessments.

Waste minimisation report review

The Waste Minimisation Report for 2025 indicates that Poeton (Cardiff) Ltd has continued to expand its operations, reflected in increased staffing levels and production activity. This growth has had a direct influence on waste generation and resource use. The operator reports an overall reduction in total waste generated compared to 2024, alongside improvements in water efficiency and reduced carbon emissions, suggesting that certain operational efficiencies have been achieved despite increased throughput.

However, the report highlights a notable deterioration in key waste performance indicators. Landfill disposal increased to 8.61 tonnes in 2025, while recycling volumes reduced to 8.67 tonnes, resulting in a recycling rate of 51%, a decline from 81% in 2024. The operator attributes this shift primarily to changes in regulatory requirements concerning contamination of recyclable waste streams. While this provides context, the report relies heavily on this explanation without demonstrating sufficient operational response or adaptation to mitigate the impact of these regulatory changes. There is limited evidence of proactive measures taken to improve segregation, reduce contamination, or recover recycling performance under the revised classification framework. Although some changes have been made regarding waste regulatory requirements, including the ‘workplace recycling law’ requiring

segregation of different recyclable waste streams, it is unclear what changes have resulted in a decrease in recyclable waste form the site.

Waste generated per employee has decreased slightly overall; however, landfill waste per employee has increased markedly, more than doubling compared to the previous year. This trend indicates that while efficiencies in total waste generation may have been achieved, the quality of waste management and segregation practices has declined. The data suggests that the site has not maintained control of waste streams to a level consistent with previous performance, raising concerns about operational discipline and oversight in waste handling processes.

The report identifies positive initiatives, including the promotion of reusable packaging and exploration of reusable masking materials. While these initiatives indicate an awareness of waste reduction opportunities, they remain largely aspirational or in development, and have been noted as on-going initiatives over several years. There is limited quantification of the impact of these measures, and no clear targets, timelines, or performance indicators are defined. As a result, it is difficult to assess their effectiveness or contribution to overall waste minimisation objectives.

In contrast, performance in relation to water use and carbon emissions demonstrates clearer improvement and stronger operational control. Water consumption has reduced significantly, supported by the implementation of flow control measures and process modifications, while CO_2 emissions have decreased both in absolute terms and per employee despite increased production. These outcomes indicate that where targeted interventions and investment have been made, the operator has been able to deliver measurable environmental benefits.

The deterioration in recycling performance, coupled with increased landfill disposal, suggests a gap in the identification and management of waste-related environmental risks. In particular, there is an absence of evidence demonstrating that the EMS has adapted to external regulatory changes, or that waste segregation and classification risks have been reassessed and mitigated accordingly.

Furthermore, the report lacks evidence of clearly defined performance objectives, benchmarks, or continuous improvement targets, particularly in relation to waste management. The narrative is largely descriptive rather than analytical, with limited critical evaluation of declining performance trends. This weakens the operator's ability to demonstrate control, oversight, and continuous improvement in line with regulatory expectations.

Overall, while Poeton has demonstrated improvements in resource efficiency and emissions management, the report identifies weaknesses in waste management performance and governance. The reliance on regulatory changes as the primary explanation for declining recycling rates does not adequately demonstrate that all reasonable measures have been taken to minimise waste to landfill. This indicates a potential gap in both operational controls and strategic environmental management, which warrants further scrutiny.

At present, the issues surrounding the secondary containment are of a higher priority, aspects surrounding waste management will be explored as a compliance topic at a later date.

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 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

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.