

Compliance Assessment Report CAR_NRW0038862

Permit being assessed: BX9455IF.

For: Bedwas Plant , held by Hydro Aluminium UK Ltd

At: Pantglas Industrial Estate , Bedwas, Caerphilly, CF83 8DR.

Type of assessment carried out: Site Inspection, Reason: Routine.

On 23/09/2021 between 10:30 and 16:30.

Parts of permit assessed: Site Inspection

NRW Lead Officer: Wayne Grimstead, accompanied by Rebecca Green.

Report sent to: Richard Eaton, EHS Manager on 27/10/2021.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
B5 - Infrastructure - Plant and equipment	C3 Minor	2.3.5
G3 - Monitoring and Records, Maintenance and Reporting - Maintenance records	C4 No impact	2.3.6
B4 - Infrastructure - Containment of stored materials	Action only (X)	
E4 - Emissions - Sewer	Action only (X)	
H1 - Resource Efficiency - Efficient use of raw materials	Action only (X)	
H2 - Resource Efficiency - Energy efficiency	Action only (X)	
A1 - Specified by permit	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
D2 - Incident Management - Accidents, emergency and incident planning	Assessed (A)	
E5 - Emissions - Waste	Assessed (A)	
E2 - Emissions - Land and groundwater	Assessed (A)	
F2 - Amenity - Noise	Assessed (A)	
G1 - Monitoring and Records, Maintenance and Reporting - Monitoring of emissions and environment	Assessed (A)	
G4 - Monitoring and Records, Maintenance and Reporting - Reporting and notification to Natural Resources Wales	Assessed (A)	

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

Total number of non-compliances recorded	Total non-compliance score
2	4.1

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
B5	See Actions 2, 3 and 4.	26/11/2021
G3	Ensure the planned maintenance plan for the ETP is followed.	29/10/2021
B4	See actions 2, 3 and 4.	26/11/2021
E4	See Action 1.	26/11/2021
H1	Report raw material use with reference to square metres processed.	31/12/2021
H2	Report energy efficiency measures in the annual reports.	31/12/2021

Action criteria codes are listed in the 'Important information' section below.

3. What will happen next?

Any non-compliance we have identified and recorded on this form is an offence. It can result in criminal prosecution and/or suspension or revocation of your permit.

At this time, we do not intend to take any further action.

This statement does not stop us from taking additional enforcement action if further relevant information comes to light or offences continue.

4. Details of our assessment

Site Meeting 23/9/21: 10:30am - 4:30pm

The meeting took place at the Bedwas offices of Hydro Aluminium UK Ltd (Hydro) and included the following personnel:

1. (RE), EHS Manager
2. (MV), Health, Safety & Environmental Manager
3. Wayne Grimstead (WG), NRW - Senior Officer Industry Regulation
4. Rebecca Green (RG) NRW - Senior Officer Industry Regulation & Surface Treatment Specialist

The agenda for the meeting had been agreed beforehand and focussed on compliance with Hydro's EPR permit, reference BX9455IF, and included a site tour of the facility.

WG opened the meeting with introductions, roles and responsibilities.

RE confirmed the business still operates under 2.3 A (1) of the EPR 2016 Regulations. However, they no longer carry out 2 of the directly associated activities listed in the permit, namely, die cleaning and extrusion of aluminium profiles.

The extant permit dates back to 2005 and was granted subject to 16 Improvement Conditions (IPs). According to NRW records, WG confirmed that for the most part these conditions had been satisfied. WG gave a commitment to provide a written update of the 16 IPs at the earliest opportunity and Hydro will undertake a similar exercise on its own records.

Permit V002 was granted in 2010 and shall be read alongside the original version. This introduced IP17 which NRW records indicate has been satisfied.

Permit V003 was granted in 2014, which replaced Hydro's Schedule 1 form with a Schedule 5. MV was provided with a copy of this and an explanation provided as to when NRW expect this form to be used. All other changes to the permit (V004 – V006) relate to administration changes.

The original permit details the presence of a natural gas boiler, described as having a MW thermal input of 1.983. WG made Hydro aware of the Medium Combustion Plant Directive Regulations (MCPD) that are in force and the respective deadlines in place for existing medium combustion plant, i.e. either 2025 or 2029, dependant on MW thermal input. Since the meeting took place, WG provided RE and MV with links to the NRW website which explains MCPD legislation in more detail.

In response to the origins of the Site Protection and Monitoring Programme (SPMP) monitoring, this is an ongoing requirement of the permit for which NRW recently agreed to annual monitoring, instead of 6 monthly. Hydro should continue with their round 34 monitoring as per the requirements of Compliance Assessment Report (CAR) form dated 29/6/21, reference NRW0038452, considering the comments provided. Hydro are advised to liaise with their consultants who carry out and submit monitoring on their behalf and for them to raise any queries concerning the SPMP monitoring regime through formal channels of communication.

NRW thank Hydro for following up its commitment to report the outstanding 2020 annual returns data and fugitive emissions review by 30th September, 2021. As a result, the actions listed on Compliance Assessment Report (CAR) form, reference NRW0037521, have been completed.

RE confirmed that Hydro is carrying out a review of their internal processes alongside their various ISO accreditations as a means of ensuring continued compliance with the reporting and notification procedures set out in the permit. WG welcomed this proactive approach and indicated that condition 1.3 of their original permit is integral to this process. Failings in this section of the permit are often the root cause for late reporting / non compliances being recorded.

Hydro also confirmed that MV is soon to be supported with an apprentice as part of Hydro's succession planning. Again, this is a welcome development in the site's commitment to regulatory compliance.

RE discussed a potential variation application to consolidate all permits into one and was advised that an operator led variation would attract an application fee. RE was informed that NRW offer free pre application advice up to a point and to make future enquiries with WG when plans are known.

The topic of a Hydro operator led variation led to discussions regarding the latest Bref review for the Surface Treatment sector, which RG explained is still in its infancy. Hydro need to be aware that NRW will assess any variation application against current Best Available Techniques (BAT) for the sector. This will inevitably lead to outdated practices / plant / equipment being updated / replaced.

The permit was discussed in detail and an explanation provided for each of its requirements. Hydro confirmed their current process is neither odorous nor noisy. Hydro is acutely aware of its location sitting cheek by jowl with industry and neighbouring residential properties and NRW welcomes the efforts made to operate the business with least disturbance possible.

As far as the annual returns are concerned, Hydro confirmed that Dwr Cymru carry out monthly sampling from within the V Notch tank at the ETP. These results are used to inform the Hydro's S1 return. RE queried the presence of cadmium and mercury on the reporting parameters. RG explained these were trace contaminants often found in raw materials from suppliers.

The V002 permit removed the requirement to provide effluent flow volumes at release point S1. However, RG recommended it is good practice to record this information and queried whether the flow meter was MCERTS approved, as required by permit condition 2.10.7. RE to make enquiries in this regard and inform NRW of his findings.

During the meeting, discussions focussed on WL1 (soakaway) location on site plan V001 and S2 on site plan V002. Research of NRW records indicate the V002 permit authorised the installation of in-line oil / water filter with a second discharge to Sewer (S2).

Action 1: Within one month from the date of this CAR form, Hydro to confirm in writing to NRW whether the in-line oil / water filter has ever been commissioned and if so, is it still operational.

Hydro presented some excellent initiatives to encourage savings in terms of energy efficiencies and were advised to report these as part of their annual performance returns.

Since the meeting took place, WG advised that Hydro may choose to report energy usage in terms of square metres processed, rather than tonnes, as this is more representative of their current working practices. WG can formally agree to this upon written request.

Site Inspection

IBC Chemical Storage Bund

The IBC chemical storage area comprises a purpose made bund running parallel to the northern elevation of the building, shown in image 1 below.



Image 1

Some aspects of good practice were observed in that IBCs are placed above ground, the bund appears to have sufficient containment capacity for the volumes stored and is of good construction with the top edge of the bund wall capped by a steel girder preventing accidental damage through fork lift truck activity.

However, for a bund to be effective, conform to CIRIA 736 and be compliant with regulations, its base and walls must be impermeable to the liquid it is designed to hold. Even though the bund is constructed to a high standard, the floor sealant is showing clear signs of erosion, as shown in images photographs 2 and 3. If left untreated, this could affect the integrity of the bund resulting in spilled materials leaching leading to an adverse impact on the environment.



Image 2



Image 3

Action 2: Within 1 month from the date of this CAR form, Hydro shall submit in writing to NRW a floor repair plan for the IBC bund. Hydro shall carry out and complete the repairs in accordance with the agreed plan within 3 months from the date of agreement being reached.

Effluent Treatment Plant (ETP)

During the site inspection, it was explained to NRW officers that improvement works to the ETP building / plant had been identified by the maintenance team but not yet carried out. NRW agree that the building poses a risk due to its poor state of repair and that the required works should be undertaken at the earliest opportunity.

Condition 2.3.5 of the permit places a requirement on the operator to maintain all plant and equipment in good operating condition, the failure of which could lead to an adverse impact on the environment. This includes pipework inside the ETP building and associated ETP bund.

Dealing firstly with the pipework serving the ETP, shown in images 4 and 5 below, it is heavily corroded and susceptible to perforation, which if left untreated will result in spillage of liquid which could lead to an adverse impact on the environment.

Whilst NRW welcomes the planned improvement works to the ETP building, the pipework as identified below requires urgent attention, details of which are set out in Action 3 of this CAR form.



Image 4 - Corroded pipework

Image 5 - Corroded pipework

ETP Bund

The bund serving the ETP is shown image 6 below.



Image 6 – ETP bund

The wall of the bund is of breeze block and render construction, lined with fibreglass, and therefore no longer conforms to CIRIA 736.

Images 7 – 9 demonstrate some of NRW most serious concerns, namely bund wall construction showing corner weakness / joint separation / exposure of the fibreglass lining / damaged block and render.



Image 7 – Wall joint and fibreglass lining separation



Image 8 – Bund walls not cast in situ and joint separation, block wall and render damage



Image 9 – Fibreglass lining separation from bund wall.

Based on the information obtained during the site inspection, it is evident that the equipment for the ETP and bunds identified above have not been maintained to a good standard contrary to the requirements of 2.3.5 and 2.3.6 of the permit, which has resulted in consolidated Category 3 and Category 4 non compliances being recorded. Actions 2, 3 and 4 of this CAR form seek to address these matters.

Action 3: The corroded pipework shown in images 4 and 5 of this CAR form shall be replaced with new within 1 month from the date of this CAR form being issued.

Action 4: Within 1 month from the date of this CAR form, Hydro shall submit a bund repair and improvement plan for written agreement to NRW taking into consideration the advice and guidance regarding design, construction and capacity as set out in document CIRIA 736. Hydro shall carry out and complete the repairs and improvements in accordance with the agreed plan, within 3 months from the date of agreement being reached.

End.

If you have any queries about this report, or to discuss completion of any actions, please contact the NRW Officer named above.

Important information

Legal status of this report

Your permit is issued to you under the Environmental Permitting Regulations. You have a responsibility to comply with the conditions of your permit and prevent pollution/harm of the environment. You must also ensure that you comply with any other relevant legislation that may apply to your site's operations.

This report explains the findings of our assessment and any action you are required to take. We categorise non-compliance using our guidance for assessing non-compliance at regulated sites.

When we find potential non-compliance/s we will normally give you advice on how to maintain compliance.

To correct non-compliance, we may:

- require you to take specific actions
- issue a notice
- review the conditions of your permit.

Any advice and guidance we give will be without prejudice to any other enforcement response that we consider may be required.

Assessment results and non-compliance categories (used in section 1):

Assessment result	Description
Assessed (A)	Assessed or assessed in part, no evidence of non-compliance found
Action only (X)	Action only relating to the activity assessment
Ongoing (O)	Ongoing non-compliance, not scored

Non-compliance category	Description	Score
C1 Major	Potential to have a major, serious, persistent and/or extensive impact or effect on the environment, people and/or property	60
C2 Significant	Potential to have a significant impact or effect on the environment, people and/or property	31
C3 Minor	Potential to have a minor or minimal impact or effect on the environment, people and/or property	4
C4 No environmental impact	Non-compliance at a regulated site that cannot foreseeably have any impact on the environment, people and/or property	0.1

How we use assessment scores

The number and severity of non-compliances recorded in a year will affect your annual subsistence fee the following year. A non-compliance factor is added to your site's Operator

Performance Risk Appraisal (OPRA) score when we calculate your fee to reflect the additional resource we use to assess permit compliance.

What are suspended scores?

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 and Waste action criteria (used in section 1 and 2):

A: Permitted activities

- A1 Specified by permit

B: Infrastructure

- B1 Infrastructure – Engineering for prevention and control of emissions
- B2 Infrastructure – Closure and decommissioning
- B3 Infrastructure – Site drainage engineering (clean and foul)
- B4 Infrastructure – Containment of stored materials
- B5 Infrastructure – Plant and equipment

C: General management

- C1 General management – Staff competency/training
- C2 General management – Management system and operating procedures
- C3 General management – Materials acceptance
- C4 General management – Storage, handling, labelling and segregation

D: Incident management

- D1 Incident management – Site security
- D2 Incident management – Accidents, emergency and incident planning

E: Emissions

- E1 Emissions – Air
- E2 Emissions – Land and groundwater
- E3 Emissions – Surface water
- E4 Emissions – Sewer
- E5 Emissions – Waste

F: Amenity

- F1 Amenity – Odour
- F2 Amenity – Noise
- F3 Amenity – Dust/fibres/particulates and litter
- F4 Amenity – Pests/birds and scavengers
- F5 Amenity – Deposits on road

G: Monitoring and records, maintenance and reporting

- G1 Monitoring and records, maintenance and reporting – Monitoring of emissions and environment
- G2 Monitoring and records, maintenance and reporting – Records of activity, site diary/journal/events
- G3 Monitoring and records, maintenance and reporting – Maintenance records
- G4 Monitoring and records, maintenance and reporting – Reporting and notification to Natural Resources Wales

H: Resources efficiency

- H1 Resource efficiency – Efficient use of raw materials
- H2 Resource efficiency – Energy efficiency

Enforcement response

Any permit condition non-compliance 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 20 working days to let you know if we agree to your request.

What do I do if I disagree with the report or have a complaint?

If you disagree with this compliance assessment report, you should contact the lead officer without delay to discuss your concerns.

If you are unable to resolve the issue with the lead officer or their line manager you should contact our Customer Contact team on 0300 065 3000 (Monday to Friday 08:00 – 18:00), or email enquiries@naturalresourceswales.gov.uk for details of how to raise your dispute further through our Complaints and Commendations procedure.

If you are dissatisfied with our response, you can contact the Public Services Ombudsman for Wales by phone on 0300 7900203 or by email at ask@ombudsman.wales

Welsh Language Standards

We are committed to establishing Natural Resources Wales as a naturally bilingual organisation. We will provide compliance reports in your preferred language.