

Compliance Assessment Report CAR_NRW0039227

Permit being assessed: DP3430LX.

For: ZF Automotive UK LTD- Pontypool Site EPR/DP3430LX, held by ZF Automotive UK Ltd

At: ZF Automotive UK LTD- Pontypool Site, New Inn, Pontypool, Torfaen, NP4 0TL.

Type of assessment carried out: Report/Data Review, Reason: Routine.

On 28/01/2022.

Parts of permit assessed: 2.2.2.8 Emissions to Sewer; 4.1.3 Annual Reports 2021; 4.1.4 Fugitive Emissions Review 2021; 4.1.5 EMS Targets Review 2021

NRW Lead Officer: Rebecca Green.

Report sent to: Shane Thomas, HS&E Manager on 31/01/2022.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
A1 - Specified by permit	Assessed (A)	
B1 - Infrastructure - Engineering for prevention and control of emissions	Assessed (A)	
B4 - Infrastructure - Containment of stored materials	Assessed (A)	
C2 - General Management - Management system and operating procedures	Assessed (A)	
E1 - Emissions - Air	Assessed (A)	
E2 - Emissions - Land and groundwater	Assessed (A)	
E3 - Emissions - Surface water	Assessed (A)	
E4 - Emissions - Sewer	Assessed (A)	
E5 - Emissions - Waste	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)	
H1 - Resource Efficiency - Efficient use of raw materials	Assessed (A)	
H2 - Resource Efficiency - Energy efficiency	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
0	0

How we use the non-compliance score to calculate your annual fee is explained in the 'Important Information' section below.

2. What action is required?

No action required.

3. What will happen next?

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

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

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

4. Details of our assessment

Forms S1, Emissions to Sewer, 1st July to 31st December 2021 and 1st January to 31st December 2021; R1, Waste Disposal and Recovery 2021; E1, Energy Usage 2021; WU1, Water Usage 2021; the EMS Targets Review 2021 and the Fugitive Emissions Review 2021, were received on 28th January 2022.

All the reports are accepted.

S1, Emissions to Sewer 2021

1st July to 31st December: All parameters were within their respective emission limit values.

1st January to 31st December: All parameters were within their respective emission limit values.

Production 2021

There was a decrease in production of plated products of about 50%, compared with 2020. However, production of anodised components rose in 2021 by about 60%, leading to a slight overall increase in production in 2021.

E1, Energy Usage 2021

Total energy usage and CO₂ generation were about 10% lower per unit of production than in 2020.

WU1, Water Usage 2021

Total water usage was less than in 2020 and use per unit of production fell by about 25%. Water consumption has been steadily decreasing since 2016.

R1, Waste Disposal and Recovery 2021

The total amount of waste generated increased slightly compared with 2020 and rose by more than 15% per unit of production. The total amount generated has been increasing since 2016.

The increase in waste generated is in part due to disposal of excess plating solution, which has continued from last year. ZF should investigate ways to reduce this waste stream which may reduce both the volume and cost of its disposal.

4.1.4 Fugitive Emissions Review 2021

There were no fugitive emissions to surface water, groundwater or air in 2021. ZF have suitable measures in place to prevent fugitive emissions.

Monitoring of emissions to air from the permitted emission points will be carried out in Q1 2022.

4.1.5 EMS Targets Review 2021

Some targets have been put on hold due to corporate budgetary constraints.

On-going projects: Remediation of chlorinated solvent contamination in groundwater and knotweed control are continuing.

The project to reduce compressed air leaks and improve the control and flexibility of the supply continues. Old equipment, services and pipework are being removed.

The volume of waste Zn-Ni solution is still a problem. ZF have asked the supplier to assist.

Resource use: A KPI for gas use has been developed.

The energy profile of the site has been improved and is being monitored. Electricity sub-metering is being reviewed by the energy team. Machine shutdown procedures are being refined and in continuous review to reduce energy use.

The Zn-Ni chiller system is being improved and the pipework will be modified.

Waste: Further opportunities for reduction, re-use and recycling have been identified.

Recycling plastic trays can be difficult as the type of plastic has to be identified and then a suitable route determined. Each load has to be assessed separately.

Waste management procedures have been reviewed.

The disposal of cast iron filter papers is still a problem. At the moment they are being stored separately in clip top drums.

80% of the cast iron swarf is now briquetted.

The disposal of coolant filter media is becoming a problem. Two machines that do not use filter papers have been installed but it is too expensive to retrofit the others at the moment.

The plant maintenance schedule has been reviewed and is being followed.

The interceptor has been inspected and cleaned.

A site asbestos survey has been completed.

This has been another difficult year for all manufacturing industry, with those supplying the automotive sector being particularly badly affected. ZF have managed to increase production, despite these problems. Energy and water use have decreased significantly and ZF have managed to achieve most of their EMS targets for 2021. It is hoped that the corporate restraints on capital investment will ease in 2022 so that ZF can progress the planned improvements. Waste generation is still increasing in some areas but ZF have identified the processes responsible and are working towards a solution. 2021 has been a better year than 2020 and Natural Resources Wales hope that this will continue in 2022.

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.