

Compliance Assessment Report CAR_NRW0039470

Permit being assessed: BL1096IB.

For: Padeswood Cement Works , held by Castle Cement Limited

At: PADESWOOD WORKS , PADESWOOD, MOLD, MOLD, CLWYD, CH7 4HB.

Type of assessment carried out: Audit, Reason: Routine.

On 23/02/2022 between 09:30 and 17:00.

Parts of permit assessed: See report

NRW Lead Officer: Lara Cubley, accompanied by Emma Pierce.

Report sent to: David Quick, Plant Manager on 30/03/2022.

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

Part of permitted activity assessed (criteria)	Assessment result	Permit condition
C1 - General Management - Staff competency/training	C3 Minor	1.1.1
E1 - Emissions - Air	C3 Minor	3.1.1
B2 - Infrastructure - Closure and decommissioning	Action only (X)	
B5 - Infrastructure - Plant and equipment	Action only (X)	
F2 - Amenity - Noise	Action only (X)	

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

Total number of non-compliances recorded	Total non-compliance score
2	8

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
C1	See Actions 1 & 2, 7, 8, 9 and 10	29/04/2022
E1	See Action 3	01/04/2022
B2	See Action 4	29/04/2022
B5	See Action 5	31/05/2022
F2	See Action 6	29/04/2022

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.

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

Introduction

An audit was undertaken by NRW on 23/02/22 to look at:

- management of non conformance, corrective and preventative action,
- management of complaints, and
- site inspection covering a number of areas.

Non Conformance, Corrective and Preventative Action

The following procedures were provided by the Operator prior to the audit for the management of non conformance, corrective and preventative action:

- UKSP005 Non Conformance, Corrective and Preventative Action v8
- UKSP016 Reporting of Accidents, Incident & Regulatory Visits v7.1 dated 22/10/2021

UKSP005 Section 5 states that, '*Non Nonconformities and observations arising from internal and external audits will be entered onto the appropriate section of Entropy.*'

NRW reviewed Entropy and noted that ISO14001 certification body non conformances had been entered onto Entropy. It is understood that the certification body has access to the Entropy software system to enter non conformities. Examples of such non conformances related to outdated waste carrier's licences, monthly sampling of surface water and absence of a review of aspects and impacts assessment relating to the recent rail loading head.

The Operator confirmed that individual non conformances related to NRW audits are not added onto the Entropy system but a record of NRW attending site is entered to the system instead. Application of this was not found to be consistent as an entry of NRW inspections of 02/08/21 and 25/11/22 had not been made to the Entropy system.

UKSP016 requires that all environmental incidents must be documented using UKSP016.F1 or if preferred directly onto Intelex by the Responsible Manager.

However, in practice no completed F1 forms were available, and the Operator reported that the site does not currently use the Intelex software system for environmental incident. It is understood that Intelex is currently used for H&S with a current project across the organisation to use it for environmental incidents by the end of May 2022.

Currently, the Quality & Environment Manager keeps his own tracking sheet of Notifications required by the permit under Condition 4.3 Schedule 5.

UKSP005 states that, *'for all non-conformities, relevant observations and incidents, a suitable action plan will be generated with an appropriate timescale for resolution in line with the response times listed and shall be acted upon by the Responsible Manager. The progress of the action plan for corrective and preventive action together with objective evidence of identified root causes (if appropriate), is recorded on Entropy or appropriate inspection record.'*

The response time for a preventative action plan within this procedure is based upon risk (severity of the non conformance/incident and frequency) with the timescale to produce a preventative action plan varying between 2 weeks and 3 months.

UKSP016 section 5.2.7 requires Part B of F1 forms, which is the investigation and root cause analysis, to be completed within 14 days of the incident, unless unforeseen circumstances result in this being impractical. In these circumstance timescales must be formally agreed with the SHE department.

NRW picked a selection of environmental incidents to review as follows:

- 21/09/2019 – Kiln Inlet/Outlet release – There was no record on Entropy of root cause analysis and actions taken/completed. No records were available elsewhere apart from the notifications required by the permit under Condition 4.3 Schedule 5.
- 04/11/2020 – pollution of brook with Diesel – A record of this incident was added to Entropy by the shift manager. However, there was no root cause analysis or tracking of specific actions arising.
- 15/06/21 – SRF Fire – This incident had been recorded on Intellex due to the H&S implications. The root cause was stated as 'proximity switch failed', however, the 5 whys investigative information was not available to view. A number of corrective actions had been raised to include proximity switch and work to the drag chain which was detailed as complete. An action to obtain a price for the fire suppression system was not yet complete. We had some discussion surrounding this and whether the corrective action's intention was to install a fire suppression system. The Plant Manager stated that this is dependent upon the price and closure/tracking would then be completed via a notification work order through the SAP system.
- 02/08/21 – BF10 CM5 emission due to holed bag filter – This incident was not recorded on entropy. Only the notifications required by the permit under Condition 4.3 Schedule 5 and associated investigation report was available.

NRW also looked to see if records of emission limit breaches were recorded on Entropy, however, these are not currently being recorded on the system. The Quality & Environment Manager stated that it is likely that these would be recorded on Intellex in the future.

The Operator is failing to comply with his procedures for non conformance, corrective and preventative action of environmental incidents. Environmental incidents are not recorded on the systems as required by procedures. Not all environmental incidents have documented evidence of immediate corrective actions taken, incident investigation (5 whys root cause analysis), and preventative actions. Timescales for response times in

investigating such incidents and forming corrective action plans are not adhered to. Failure to use correct systems (i.e. Intelex) has the knock on effect that corrective actions are not easily allocated and tracked. The Quality & Environment Manager stated that CAR actions are shared in the Monday morning meeting.

NRW is of the opinion that this constitutes a breach of Condition 1.1.1 (C1 Staff Competency & Training – C3).

ACTION 1: The Operator should ensure all environmental incidents are documented using form F1 or Intelex with immediate effect.

ACTION 2: The Operator should provide NRW with a plan of how and when he proposes to improve compliance with non conformance, corrective and preventative action procedures. This plan should include but not be limited to:

- Ensuring all environmental incidents, as defined in your procedure, are documented using form F1 or Intelex.
- Ensuring all environmental incidents receive sufficient resources for investigation/root cause analysis, and that this is documented.
- Ensuring all environmental incidents have the investigation completed and a documented corrective action plan produced within the timescale required.
- Ensuring preventative actions are tracked to timely completion via Intelex or suitable alternative.
- Ensuring all environmental incidents have a documented line manager review.
- Suitable training of employees.

This plan shall be provided to NRW in writing by 29/04/22.

Eleven management personnel on site had documented evidence on the Pathway database as having received 'Accident investigation and root cause analysis' training which is required for by procedure UKSP016 for lead investigators.

It was unclear as to whether training in the use and navigation of relevant databases had been provided (UKSP005) or whether the reporting and initial response to accidents/near hits and environmental incidents e-learning or narrated toolbox talk had been completed by all employees (UKSP016 – Section 7.1). No documentary evidence was available. **The Operator is to address this when responding to Action 2 above.**

Within the two procedures, definitions are provided for categorisation of '*Major or Minor Non Conformance / Incident*' and '*Observation*' (UKSP005) and '*Environmental Incident*' (UKSP016). UKSP016 also refers to specific actions for '*high potential incidents*' (Section 5.2.3) which includes '*Environmental incident (legal breach)*'. Some discussion was had with the Shift Manager, Production Manager and Quality & Environmental Manager regarding the definition of 'Environmental Incident' to qualify their understanding and what they would expect to report. Generally, they appeared to err on the side of caution in terms of what they would class as an 'Environmental Incident' despite this not being followed up with the procedural reporting.

Management staff reported that there used to be a matrix with more guidance regarding the type of incident classed as reportable.

ADVICE & GUIDANCE: It may be advisable to provide staff with further guidance/training regarding the type of scenarios which fall into the definition of 'Environmental Incidents' and

are thus reportable.

Site Inspection

Raw Mill Reject building

The raw mill reject building's integrity was such that some of the side cladding was missing and the front door was open with reject material being stored within. Some of the reject material was of a fine nature. During intermittent gusts of wind, clouds of dust were generated and blown across and off site.

NRW considers this to be a breach of Condition 3.1.1 (E1 Unauthorised emission to air – C3).

The Operations Manager reported that they have contractors coming to undertake construction modifications to the building very shortly. The proposed design should withstand loading shovel damage to the building integrity during collections of reject material.

ACTION 3: The Operator must provide an update on the proposed work and timeline for the construction modification to the raw mill reject building to NRW in writing by 01/04/22.

By-Pass Replacement

The work to replace the by-pass system is ongoing and slightly delayed. The bag filter was in place. It was uncertain whether the scope of the work involved removal of old redundant plant such as the ESP.

ACTION 4: The Operator must confirm in writing the plans for extent of removal of old by-pass plant/equipment together with timescales to NRW by 29/04/22.

ID Fan

A new impeller was installed in the ID fan during the recent shutdown. However, it was observed to still have additional temporary localised cooling (fan/compressed air).

ACTION 5: The Operator must provide a summary report to NRW in writing detailing what the issues are with the ID fan that require this additional cooling together with a plan and timeline for addressing them by 31/05/22.

Wet Stock Management

A review of the wet stock monitoring and management of white diesel was undertaken. Records showed that good records of use versus stock are being maintained and reviewed by the Transport Office Manager. These have revealed a discrepancy between the electronic tank gauge and usage, however, there is good agreement with the manual dip levels. The Transport Office Manager has organised for the manufacturer to come and inspect/calibrate the electronic gauge.

Other

Contractors were currently on site to undertake changes to the pipework of Cemfuel carbon filter configuration to obtain 100% redundancy in accordance with the permit application.

The completed installation of the dust room chute isolation gate was inspected.

The door to the gas conditioning tower dust room was found open again. This was closed by the Assistant Operations Manager.

NRW considers this to be a breach of Condition 1.1.1 (C1 Staff Competency & Training – C3 consolidated).

Screw conveyor at the main baghouse was noted to be making a lot of noise, clearly audible in this area.

ACTION 6: Operator to investigate and report back to NRW in writing by 29/04/22.

The crane bay doors were still slightly ajar due to the volume of material up against them internally. This is despite NRW's advice to the operator to rectify this permit breach immediately during the site inspection of 25/11/22. Action 6 of CAR_NRW0038997 was due on the 28/02/22 and is still outstanding. The Operator should address this without delay. PG10 – Control of dust not controlled by emission limits states, '*Wherever practicable all doors must be kept closed to prevent dust escaping to atmosphere.*'

NRW considers this to be a breach of Condition 1.1.1 (C1 Staff Competency & Training – C3 consolidated).

Management of Complaints

The following procedures were provided by the Operator prior to the audit for the management of complaints:

- Noise Management Plan
- PG12 Complaints Procedure
- Dust Complaint Sampling Operating Procedure

In summary, overall the procedures in place for complaints and sampling are acceptable however much of the detail is not been followed consistently. The site needs to review and cascade the procedures to relevant personnel and ensure that they are followed. See below for specific recommendations and actions for each of the procedures reviewed.

NRW is of the opinion that this constitutes a breach of Condition 1.1.1 (C1 Staff Competency & Training - C3 consolidated).

Noise Management Plan

This document lays out the purpose, aim and scope of the noise management plan for Padeswood site.

Section 3.2 - references an Appendix II which provides a list of identified equipment which forms the basis for improvements however this is held with the contractors carrying out the noise surveys and not with the site.

Action 7: This Appendix II needs to be available for site managers and not just the contractors. It needs to be kept up to date and preferably updated every quarter as a minimum requirement. This will ensure all relevant personnel are aware of the 'bad actors' in relation to noise as referenced in this document. Provide a summary of actions to NRW by the 29/04/2022.

Section 3.3 Complaints – references a 'site noise register'. During the audit, there was uncertainty as to what this is.

Action 8: Confirm this register is available or not and update procedure accordingly and provide a written summary to NRW by the 29/04/2022.

PG12 Complaints Procedure

This document details the process and responsibilities for dealing with complaints.

Details of complaints going onto the Entropy, Intellex, Complaints database, Shift Managers log are not consistent. Section 3.2 advises that finding should be recorded on the relevant systems – this is not happening consistently.

It was noted that NRW are not notified of any incident reports which come directly into site. Section 3.4 states that *a monthly summary will be passed to NRW of incidents reported directly to site*. This does not happen presently.

Action 9: Provide NRW with a monthly report summarising any incident reports which have been reported directly to site. To start with immediate effect.

Dust Complaint Sampling Operating Procedure

This document details the sampling operating procedure for dust samples

This procedure needs reviewing with more in-depth detail needed in relation to the sampling technique, timeframes for response, and how to log the sample once taken. This needs communicating to all staff undertaking sampling to ensure that sampling is undertaken consistently every time.

Action 10: Review, update and provide a copy to NRW by the 29/04/2022.

It was noted that there is now a Padeswood email account in place for reports and incidents to be sent through via members of the public and that a dedicated staff member is responsible for responding and managing this account. There is also contingency in place for when that staff member is off.

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.