



Valuation Information Guide 4.108 Unimproved Values of Contaminated Land

Key Principles

In Western Australia, contaminated sites are regulated by the Department of Water and Environmental Regulation (DWER) through the administration of the *Contaminated Sites Act* 2003 (CSA), which provides the framework for identifying, recording, managing and remediating contaminated sites.

The Valuer-General adopts the same definition of "contaminated" as outlined in section 4 of the CSA.

Unimproved value is based on the highest and best use of the site. If contamination does not restrict the highest and best use, then no allowance for contamination is necessary.

If the highest and best use of a site is restricted by contamination, the full impact of the contamination being remediation costs associated with removal, containment or treatment must be considered when determining the UV.

Contaminated sites with an ongoing use are assumed to be used at their highest and best use and are valued accordingly.

Disused sites which contain contaminated buildings and other structures such as hardstand, ponds and tailing dams are to be valued on the basis that these items are not improvements to the land and the valuation must reflect removal and remediation costs.

Supporting Information

- Valuation of Land Act 1978
- Contaminated Sites Act 2003 Section 4 (contaminated)
- Contaminated sites guidelines
- Assessing and classifying contaminated sites

Approval

Owner: Regulation & Research, Valuation Services

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