

## 4.108 Unimproved Values of Contaminated Land

### Purpose/Objectives

The purpose of this policy is to outline how valuers treat contaminated sites when determining unimproved values (UV's).

### 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 hard stand, 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.

### Useful Links

[Valuation of Land Act 1978](#)

[Contaminated Sites Act 2003 – section 4 \(contaminated\)](#)

[Contaminated Sites Guidelines](#)

[Identification, reporting and classification of contaminated sites in Western Australia](#)

[Assessing and classifying contaminated sites](#)

## **Evaluation & Review**

Custodian: Policy & Regulation, Valuation Services

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