

# Valuation Information Guide 5.106 Valuation for Payment-in-Lieu of Public Open Space

## Purpose

Section 153 of the *Planning and Development Act 2005* states that the Western Australian Planning Commission may allow a local government to accept a payment in lieu of a specified area of land for parks, recreation grounds or open spaces generally upon the subdivision of a lot.

Section 155 of the *Planning and Development Act 2005* allows for the Valuer-General or a licensed valuer to provide a market valuation for the purposes of calculating the payment in lieu of public space.

## Key Principles

For the purposes of section 153 of the *Planning and Development Act 2005*, the valuation given is a percentage of the value of the entire portion of land.

The market value of land is defined as “the capital sum which an unencumbered estate in fee simple in the land might reasonably be expected to realise if offered for sale on such reasonable terms and conditions as a bona fide seller would require”.

The valuation is on the basis that there are no buildings, fences, or other improvements of a like nature on the land. However, the value takes into account the added value of all other improvements on the land such as merged improvements.

If either the owner of the land or the local government disputes a valuation made under section 155, the valuation may be varied by agreement between the parties or settled by such method they both agree upon.

## Supporting Information

- [Planning and Development Act 2005](#) – Sections 153 to 156

## Approval

Owner: Regulation & Research, Valuation Services

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Approver: Valuer-General, Valuation Services