

Revaluation 2026

Utilities Committee

Practice Note 3

Valuation of Fixed-Line Telecommunications Networks

1.0 Introduction

This Practice Note applies only to fibre optic telecommunication networks including backbone, trunk, backhaul, point to point networks and service connections valued by application of the Comparative Principle where rentals provide the relevant evidence for the establishment of the scheme of valuation.

This Practice Note does not apply to telecommunications networks of considerable size and extent where rental evidence is not available. These networks will be valued by reference to the Receipts and Expenditure method.

Separate Practice Notes are available for the valuation of Wireless Telecommunications Subjects and for the valuation of Local Broadband Subjects.

With few exceptions, the lands and heritages covered by this Practice Note will fall to be valued under the terms of Sect 7A of the Non-Domestic Rating (Valuation of Utilities) (Scotland) Order 2005 (the Order) and be the subject of an entry (a "designated entry") to be made in the Valuation Roll for Renfrewshire Council.

To qualify for inclusion as a designated entry, the Telecommunications Operator must be named in the Order, and the installed network must extend beyond a single local authority area.

2.0 Classification, Survey and Measurement

2.1 Fibre Network:

Details should be obtained from an Assessor's Information Notice or directly from the operator. These include:

1. Start and end points of the routes.
2. Route length in km.
3. The number of fibres lit for each route section.

2.2 Network Buildings

Generally, network buildings are converted industrial or office properties.

These should be surveyed in accordance with the relevant Practice Note for that class of property.

It is important to separately note the areas of the transmission/switching rooms, as these areas may have been improved.

Floor plans showing the installed non-rateable transmission equipment should be obtained to confirm actual used areas in the event a redundancy allowance is applied.

Plant rooms and loading bays are usually outside of the main switching pod. These will generally be found to occupy unimproved space.

Ancillary office space should be measured and valued according to the local evidence for that class of subject. Improvements such as raised floors and air conditioning should be noted.

2.3 Rateable Plant and Machinery

Full details of rateable plant & machinery should be noted. These will typically include.

- i. Diesel Generators (Note kVA).
- ii. UPS Systems (Note kVA).
- iii. Batteries (Note voltage and number).
- iv. Primary Transformers (Note range of voltage transformation).
- v. Primary Distribution Boards and Switches.
- vi. CCTV.
- vii. Air Conditioning Systems.
- viii. Fire protection Systems.

Ideally an electrical schematic plan should be obtained to confirm the extent of the rateable plant & machinery.

The items of Plant and Machinery to be included in valuation will be governed by the provisions of the Valuation for Rating (Plant and Machinery) (Scotland) Regulations 2000 (as amended) and valued with reference to the Rating Cost Guide Scotland.

3.0 Basis of Valuation

Valuations for this class of lands and heritages should be on a comparative basis, founded upon rental evidence, in line with the scale of values which are set out in Appendix 1.

3.1 The Unit of Valuation

The unit of assessment should include all contiguous fibre routes occupied by the operator as one network as well as all connected operational network buildings such as those used for transmission, switching, relay, points of presence and data centres. This will include all posts, wires, fibres, cables and ducts, telephone kiosks, towers, masts, switching equipment or other equipment, servitudes or wayleaves, used by that fixed line operator wholly or mainly for the purposes of monitoring, processing or transmission of communications signals for the provision of telecommunications services.

Where the fixed line operator is named in the Non-Domestic Rating (Valuation of Utilities) (Scotland) Order 2005 and they would have entries in two or more Valuation Rolls then they shall be treated for all purposes of the Valuation Acts as justifying only one entry in the Valuation Roll for Renfrewshire.

It should be noted that the above is appropriate for all subjects valued under this Practice Note and further guidance is given at 4.5 for application of the Non-Domestic Rating (Telecommunications New Fibre Infrastructure) (Scotland) Order 2019.

3.2 Fibre Network

Whilst all fibres share the same physical characteristics national networks can be divided into Trunk and Access.

3.2.1 Trunk Fibres

The trunk fibre network comprises of fibres that link directly between towns and cities directly.

3.2.2 **Access Fibres**

The Access fibre network runs from switch buildings around a local area and will physically connect with a customer's premises. Its purpose is to collect traffic from customers and deliver it to the nearest network building. There are a greater number of fibres in an Access network as each customer's premises must be separately connected to the network.

Individual fibre connections with route lengths of less than 1 kilometre will be assessed individually based on the actual rents paid.

3.3 **Total Route Length of Network**

This is the starting point for the valuation. The amount per route kilometre (km) is always determined by the total length of the network not the length of an individual section. The value per route km to be used should always be from the row corresponding with the total route length (or by interpolation if between two distances).

3.4 **Number of Lit Fibres**

The value should be taken from the column corresponding with the number of lit fibres.

3.5 **Network Buildings**

All network buildings occupied with the fixed line telecommunications network are to be valued, adopting local tone rental levels reflecting where necessary any tenant's improvements.

3.6 **Allowances:**

3.6.1 **Modern Industry Standard (MIS)**

Note for this class of property, the requirement for fewer trunk network fibres and less building space compared to the amount required for the old multiple fibre networks is acknowledged in valuing these older networks to a "Modern Industry Standard" (MIS). The practical implementation of this is described below.

Modern Industry Standard (MIS) was determined in the English VT decision in respect of *Cable & Wireless UK v Subacchi (VO)*. In that decision, the valuation of inter-city trunk connections was capped at 6 fibres.

The decision acknowledged that trunk (intercity) networks are capable of using modern, non-rateable, dense wavelength division multiplexing (DWDM) transmission equipment which no longer requires multiple fibres to increase capacity. This technology was available at the Tone Date and, in a vacant and to let situation, a prospective tenant would utilise this equipment. Therefore, the value of a modern trunk network should be capped at a maximum of 6 lit fibres Routes lit by non – MIS equipment should still be valued but capped at 2 fibres. This allowance does not apply to access or wholly urban networks where multiple lit fibres are still required in order to connect with customers premises. The maximum value per route km for modern trunk networks in excess of 1,000 km is therefore £205.

3.6.2 Other Allowances

Older fibres installed pre-1996 are likely to have greater attenuation (loss of intensity of the light passing through the fibre) and less capacity than more modern fibres due to the degradation of the more frequent joints in the fibre and to the lower quality of the fibre. Obsolescence allowances for these older fibres should be considered.

Where networks are merged the circumstances of each case will be investigated to determine whether there is duplication of routes in the same cable or duct, or whether the routes are diverse.

Note that diversity is often required for network resilience and integrity reasons and to provide access to a greater number of customers.

4.0 Entry to be made in Valuation Roll

- 4.1 Where a fixed-line or fibre network exists only in a single local authority area, regardless of whether the operator is a named company or not an entry should be made in that local valuation roll in accordance with this Practice Note.
- 4.2 Where a fixed- line or fibre optic network is in the rateable occupation of a company not listed in the Order, but extends over more than one local authority area, the value should be apportioned between each area and an entry should be made in each local valuation roll and in accordance with this Practice Note. The Assessor for Renfrewshire should also be informed to allow consideration on recommending an update to the Order.
- 4.3 Where a fixed-line or fibre network extends to more than a single local authority area **AND** is in the rateable occupation of a company listed in the Non-Domestic Rating (Valuation of Utilities) (Scotland) Order 2005, an entry should be made in the valuation roll for the Renfrewshire Council area in accordance with this Practice Note and using the method of value deemed appropriate by the Designated Assessor for Fixed-Line Telecommunications.

- 4.4 The entry in the valuation roll for 4.1 above should be described as “Telecommunications Network” and in the circumstances described in 4.2 the description should be “Telecommunications Network (part)”.

The entry in the Designated Assessor’s valuation roll for 4.3 above should be described as “Telecommunications Undertaking”.

- 4.5 Where a network comprises fibre infrastructure installed both before and after 1st April 2019 consideration must be given to the Non-Domestic Rating (Telecommunications New Fibre Infrastructure) (Scotland) Order 2019 and where appropriate two separate entries should be made within the roll and the values calculated in accordance the Order.

Appendix 1 – Valuation Scale Tables

In the following 8 tables it should be noted that:

- Individual fibre connections with Route lengths of less than 1 kilometre will be assessed individually based on the actual rents paid.
- RV/Route km reduces incrementally between 1 km and 10 km total network route length.
- The RV/Route km is a fixed rate from 10 Route km to 100 Route km total network length.
- RV/Route km reduces incrementally between 100 km and 1,000 km total network route length.
- RV/Route km should be interpolated between Route km total lengths outside the fixed range.
- There is an overall cap in RV/Route km at 48 fibres.
- National Trunk (Inter Town/City) networks are valued to a Modern Industry Standard and capped at 6 fibres.
- Access and Urban networks are capped at 48 fibres.
- Obsolescence allowances can be considered on an individual case basis for fibres installed pre-1996.

Appendix 1

2026 Valuation Scale - Scotland 1 to 6 Fibres

1Km diff:	£260	£260	£104	£104	£78	
1F RV Increment (1 to 10 F)	43.3	57.8	63.6	76.6	83.8	93.9
Total Network Route Km	1 Fibre	2 Fibres	3 Fibres	4 Fibres	5 Fibres	6 Fibres
1	£780	£1,040	£1,300	£1,404	£1,508	£1,586
2	£412	£ 549	£ 682	£ 740	£ 796	£ 840
3	£289	£ 385	£ 476	£ 519	£ 559	£ 591
4	£228	£ 303	£ 373	£ 408	£ 440	£ 467
5	£191	£ 254	£ 311	£ 342	£ 369	£ 392
6	£166	£ 221	£ 270	£ 298	£ 321	£ 343
7	£149	£ 198	£ 240	£ 266	£ 287	£ 307
8	£135	£ 181	£ 218	£ 242	£ 262	£ 280
9	£125	£ 167	£ 201	£ 224	£ 242	£ 260
10	£117	£ 156	£ 187	£ 209	£ 226	£ 243
100	£117	£ 156	£ 187	£ 209	£ 226	£ 243
200	£116	£ 153	£ 184	£ 206	£ 222	£ 239
300	£114	£ 150	£ 180	£ 202	£ 219	£ 235
400	£113	£ 147	£ 177	£ 198	£ 215	£ 231
500	£111	£ 144	£ 173	£ 195	£ 211	£ 226
600	£110	£ 142	£ 170	£ 191	£ 207	£ 222
700	£108	£ 139	£ 166	£ 188	£ 204	£ 218
800	£107	£ 136	£ 163	£ 184	£ 200	£ 214
900	£105	£ 133	£ 159	£ 180	£ 196	£ 210
1000	£104	£ 130	£ 156	£ 177	£ 192	£ 205

Appendix 1 (continued)

2026 Valuation Scale - Scotland 7 to 12 Fibres

1Km diff:	£78	£52	£52	£26	£26	£13
1F RV Increment (1 to 10 F)	104.0	114.1	124.2	137.2	144.4	158.9
Total Network Route Km	7 Fibres	8 Fibres	9 Fibres	10 Fibres	11 Fibres	12 Fibres
1	£1,664	£1,716	£1,768	£1,794	£1,820	£1,833
2	£ 884	£ 915	£ 946	£ 966	£ 982	£ 996
3	£ 624	£ 648	£ 672	£ 689	£ 703	£ 717
4	£ 494	£ 515	£ 535	£ 551	£ 563	£ 577
5	£ 416	£ 434	£ 453	£ 469	£ 480	£ 494
6	£ 364	£ 381	£ 398	£ 413	£ 424	£ 438
7	£ 327	£ 343	£ 359	£ 374	£ 384	£ 398
8	£ 299	£ 314	£ 330	£ 344	£ 354	£ 368
9	£ 277	£ 292	£ 307	£ 321	£ 331	£ 345
10	£ 260	£ 274	£ 289	£ 303	£ 312	£ 326
100	£ 260	£ 274	£ 289	£ 303	£ 312	£ 326
200	£ 255	£ 269	£ 283	£ 297	£ 306	£ 319
300	£ 250	£ 264	£ 277	£ 290	£ 299	£ 312
400	£ 245	£ 258	£ 271	£ 284	£ 293	£ 305
500	£ 240	£ 253	£ 265	£ 277	£ 287	£ 298
600	£ 235	£ 248	£ 260	£ 271	£ 280	£ 291
700	£ 231	£ 242	£ 254	£ 265	£ 274	£ 284
800	£ 226	£ 237	£ 248	£ 258	£ 268	£ 277
900	£ 221	£ 232	£ 242	£ 252	£ 261	£ 270
1000	£ 216	£ 226	£ 237	£ 246	£ 255	£ 263

Appendix 1 (continued)

**2026 Valuation Scale - Scotland 13 to 18
Fibres**

1Km diff:	£13	£13	£13	£13	£5	£5
1F RV Increment (1 to 10 F)	169.0	180.6	193.6	200.8	214.6	224.2
Total Network Route Km	13 Fibres	14 Fibres	15 Fibres	16 Fibres	17 Fibres	18 Fibres
1	£1,846	£1,859	£1,872	£1,885	£1,890	£1,895
2	£1,008	£1,020	£1,033	£1,043	£1,052	£1,060
3	£ 728	£ 740	£ 753	£ 762	£ 773	£ 781
4	£ 588	£ 600	£ 613	£ 622	£ 634	£ 642
5	£ 504	£ 516	£ 529	£ 538	£ 550	£ 558
6	£ 449	£ 460	£ 473	£ 481	£ 494	£ 503
7	£ 409	£ 420	£ 433	£ 441	£ 454	£ 463
8	£ 379	£ 390	£ 403	£ 411	£ 424	£ 433
9	£ 355	£ 367	£ 380	£ 388	£ 401	£ 410
10	£ 337	£ 348	£ 361	£ 369	£ 382	£ 391
100	£ 337	£ 348	£ 361	£ 369	£ 382	£ 391
200	£ 329	£ 341	£ 353	£ 361	£ 373	£ 381
300	£ 322	£ 333	£ 344	£ 352	£ 363	£ 371
400	£ 315	£ 325	£ 336	£ 343	£ 354	£ 361
500	£ 307	£ 317	£ 327	£ 335	£ 344	£ 351
600	£ 300	£ 309	£ 319	£ 326	£ 335	£ 341
700	£ 293	£ 302	£ 310	£ 317	£ 325	£ 332
800	£ 285	£ 294	£ 302	£ 309	£ 315	£ 322
900	£ 278	£ 286	£ 293	£ 300	£ 306	£ 312
1000	£ 270	£ 278	£ 285	£ 291	£ 296	£ 302

Appendix 1 (continued)

2026 Valuation Scale - Scotland 19 to 24 Fibres

1Km diff:	£5	£5	£5	£5	£5	£5
1F RV Increment (1 to 10 F)	225.0	228.8	228.8	227.6	227.1	227.9
Total Network Route Km	19 Fibres	20 Fibres	21 Fibres	22 Fibres	23 Fibres	24 Fibres
1	£1,901	£1,906	£1,911	£1,916	£1,921	£ 1,927
2	£1,063	£1,067	£1,070	£1,072	£1,074	£ 1,077
3	£ 784	£ 788	£ 789	£ 790	£ 792	£ 794
4	£ 644	£ 648	£ 649	£ 650	£ 651	£ 653
5	£ 560	£ 564	£ 565	£ 565	£ 566	£ 568
6	£ 504	£ 508	£ 509	£ 509	£ 509	£ 511
7	£ 464	£ 468	£ 469	£ 469	£ 469	£ 471
8	£ 434	£ 438	£ 439	£ 439	£ 439	£ 440
9	£ 411	£ 415	£ 415	£ 415	£ 415	£ 417
10	£ 393	£ 397	£ 397	£ 397	£ 397	£ 398
100	£ 393	£ 397	£ 397	£ 397	£ 397	£ 398
200	£ 383	£ 387	£ 388	£ 388	£ 389	£ 390
300	£ 374	£ 378	£ 379	£ 380	£ 381	£ 383
400	£ 364	£ 368	£ 370	£ 371	£ 373	£ 375
500	£ 354	£ 359	£ 361	£ 363	£ 365	£ 368
600	£ 345	£ 350	£ 352	£ 355	£ 357	£ 360
700	£ 335	£ 340	£ 343	£ 346	£ 349	£ 353
800	£ 326	£ 331	£ 334	£ 338	£ 341	£ 345
900	£ 316	£ 321	£ 325	£ 329	£ 333	£ 338
1000	£ 307	£ 312	£ 316	£ 321	£ 325	£ 330

Appendix 1 (continued)

2026 Valuation Scale - Scotland 25 to 30 Fibres

1Km diff:	£3	£3	£3	£3	£3	£3
1F RV Increment (1 to 10 F)	230.5	230.2	230.0	234.0	233.7	233.4
Total Network Route Km	25 Fibres	26 Fibres	27 Fibres	28 Fibres	29 Fibres	30 Fibres
1	£1,929	£1,932	£1,934	£1,937	£1,940	£1,942
2	£1,080	£1,081	£1,082	£1,086	£1,087	£1,088
3	£ 797	£ 797	£ 798	£ 802	£ 802	£ 803
4	£ 655	£ 656	£ 656	£ 660	£ 660	£ 661
5	£ 570	£ 571	£ 571	£ 575	£ 575	£ 575
6	£ 514	£ 514	£ 514	£ 518	£ 518	£ 518
7	£ 473	£ 473	£ 473	£ 477	£ 477	£ 478
8	£ 443	£ 443	£ 443	£ 447	£ 447	£ 447
9	£ 419	£ 419	£ 419	£ 423	£ 423	£ 423
10	£ 400	£ 400	£ 400	£ 404	£ 404	£ 404
100	£ 400	£ 400	£ 400	£ 404	£ 404	£ 404
200	£ 393	£ 394	£ 394	£ 398	£ 399	£ 399
300	£ 386	£ 387	£ 388	£ 392	£ 393	£ 394
400	£ 379	£ 380	£ 382	£ 386	£ 387	£ 389
500	£ 372	£ 373	£ 376	£ 379	£ 382	£ 384
600	£ 364	£ 366	£ 369	£ 373	£ 376	£ 379
700	£ 357	£ 360	£ 363	£ 367	£ 371	£ 374
800	£ 350	£ 353	£ 357	£ 361	£ 365	£ 369
900	£ 343	£ 346	£ 351	£ 355	£ 359	£ 364
1000	£ 335	£ 339	£ 345	£ 348	£ 354	£ 359

Appendix 1 (continued)

2026 Valuation Scale - Scotland 31 to 36 Fibres

1Km diff:	£3	£3	£3	£3	£3	£3
1F RV Increment (1 to 10 F)	234.6	237.2	236.9	236.6	237.8	237.5
Total Network Route Km	31 Fibres	32 Fibres	33 Fibres	34 Fibres	35 Fibres	36 Fibres
1	£1,945	£1,947	£1,950	£1,953	£1,955	£ 1,958
2	£1,090	£1,092	£1,093	£1,095	£1,096	£ 1,098
3	£ 805	£ 807	£ 808	£ 809	£ 810	£ 811
4	£ 662	£ 665	£ 665	£ 666	£ 667	£ 668
5	£ 577	£ 579	£ 580	£ 580	£ 581	£ 582
6	£ 520	£ 522	£ 522	£ 523	£ 524	£ 524
7	£ 479	£ 481	£ 482	£ 482	£ 483	£ 483
8	£ 448	£ 451	£ 451	£ 451	£ 452	£ 453
9	£ 425	£ 427	£ 427	£ 427	£ 429	£ 429
10	£ 406	£ 408	£ 408	£ 408	£ 410	£ 410
100	£ 406	£ 408	£ 408	£ 408	£ 410	£ 410
200	£ 401	£ 404	£ 404	£ 405	£ 406	£ 407
300	£ 396	£ 399	£ 400	£ 401	£ 403	£ 404
400	£ 391	£ 395	£ 396	£ 398	£ 400	£ 402
500	£ 387	£ 390	£ 392	£ 394	£ 397	£ 399
600	£ 382	£ 386	£ 388	£ 391	£ 394	£ 397
700	£ 377	£ 381	£ 384	£ 387	£ 391	£ 394
800	£ 372	£ 377	£ 380	£ 384	£ 388	£ 391
900	£ 367	£ 372	£ 376	£ 380	£ 385	£ 389
1000	£ 363	£ 368	£ 372	£ 377	£ 382	£ 386

Appendix 1 (continued)

2026 Valuation Scale - Scotland 37 to 42 Fibres

1Km diff:	£3	£3	£3	£3	£3	£3
1F RV Increment (1 to 10 F)	240.1	241.2	240.9	240.6	243.2	244.4
Total Network Route Km	37 Fibres	38 Fibres	39 Fibres	40 Fibres	41 Fibres	42 Fibres
1	£ 1,960	£ 1,963	£1,966	£1,968	£1,971	£1,973
2	£ 1,100	£ 1,102	£1,103	£1,104	£1,107	£1,109
3	£ 814	£ 815	£ 816	£ 816	£ 819	£ 821
4	£ 670	£ 672	£ 672	£ 673	£ 675	£ 677
5	£ 584	£ 586	£ 586	£ 586	£ 589	£ 590
6	£ 527	£ 528	£ 528	£ 529	£ 531	£ 533
7	£ 486	£ 487	£ 487	£ 487	£ 490	£ 491
8	£ 455	£ 456	£ 457	£ 457	£ 459	£ 461
9	£ 431	£ 433	£ 433	£ 433	£ 435	£ 437
10	£ 412	£ 413	£ 413	£ 413	£ 416	£ 417
100	£ 412	£ 413	£ 413	£ 413	£ 416	£ 417
200	£ 410	£ 411	£ 412	£ 413	£ 415	£ 417
300	£ 407	£ 409	£ 411	£ 412	£ 415	£ 417
400	£ 405	£ 407	£ 409	£ 411	£ 414	£ 416
500	£ 403	£ 405	£ 408	£ 410	£ 413	£ 416
600	£ 401	£ 403	£ 406	£ 409	£ 412	£ 416
700	£ 398	£ 401	£ 405	£ 408	£ 412	£ 416
800	£ 396	£ 399	£ 403	£ 407	£ 411	£ 415
900	£ 394	£ 397	£ 402	£ 406	£ 410	£ 415
1000	£ 391	£ 395	£ 400	£ 406	£ 410	£ 415

Appendix 1 (continued)

2026 Valuation Scale - Scotland 43 to 48 Fibres

1Km diff:	£3	£3	£3	£3	£3	£3
1F RV Increment (1 to 10 F)	244.1	243.8	247.9	247.6	247.3	247.0
Total Network Route Km	43 Fibres	44 Fibres	45 Fibres	46 Fibres	47 Fibres	48 Fibres
1	£1,976	£1,979	£1,981	£1,984	£1,986	£1,989
2	£1,110	£1,111	£1,115	£1,116	£1,117	£1,118
3	£ 821	£ 822	£ 826	£ 826	£ 827	£ 828
4	£ 677	£ 678	£ 681	£ 682	£ 682	£ 683
5	£ 590	£ 591	£ 595	£ 595	£ 595	£ 595
6	£ 533	£ 533	£ 537	£ 537	£ 537	£ 537
7	£ 492	£ 492	£ 495	£ 496	£ 496	£ 496
8	£ 461	£ 461	£ 465	£ 465	£ 465	£ 465
9	£ 437	£ 437	£ 440	£ 440	£ 441	£ 441
10	£ 417	£ 417	£ 421	£ 421	£ 421	£ 421
100	£ 417	£ 417	£ 421	£ 421	£ 421	£ 421
200	£ 417	£ 418	£ 422	£ 423	£ 423	£ 424
300	£ 418	£ 419	£ 423	£ 424	£ 425	£ 426
400	£ 418	£ 419	£ 424	£ 425	£ 427	£ 428
500	£ 418	£ 420	£ 425	£ 426	£ 429	£ 430
600	£ 418	£ 421	£ 426	£ 428	£ 431	£ 433
700	£ 418	£ 422	£ 426	£ 429	£ 432	£ 435
800	£ 418	£ 422	£ 427	£ 430	£ 434	£ 437
900	£ 418	£ 423	£ 428	£ 432	£ 436	£ 440
1000	£ 419	£ 424	£ 429	£ 433	£ 438	£ 442

Appendix 2

Worked example: -

Total network length 1,000 km
Section 1: - 500 km, 2 lit fibres
Section 2: - 500 km, 4 lit fibres

Valuation

Section 1: - 500 km x £130 (the distance of section 1 multiplied by the 2 fibre rate for the entire route length of 1,000 km)
Section 2: - 500 km x £177 (the distance of section 2 multiplied by the 4 fibre rate for the entire route length of 1,000 km)

Access network fibres are valued on this basis up to a maximum of 48 lit fibres.