

# UNISON

## Influencers 2026

### COST OF LIVING

Public service workers are experiencing rising costs and a sustained decline in their standard of living. Even where recent pay settlements have matched or slightly exceeded inflation, they have not reversed over a decade of real-terms income decline.

#### Key facts

- Local government staff have seen the value of their pay drop by a quarter over the past decade or so.
- Social care workers staff, who care for some of the most vulnerable people in our communities, are often paid only marginally above the legal minimum wage.
- Increases in pay have not compensated for the long term erosion of pay

The headline inflation figure has meant a 4.1% increase in prices over the last year. This is an average figure and many essential items have risen by considerably more. This also does not take into account the combination of inflation spikes over the last decade and the years where pay has either been frozen.

#### Price Increases 2020–2025 *(All figures Oct-Oct except rent which is year-end to year-end)*

Item	Increase
Electricity	59.2 %
Private rent ( 2 bed scot avg per month)	33.6 %
Children's shoes	16.0 %
Bread	30.1 %
Mince (beef)	59.7 %
Cheese (mild cheddar)	21.7 %
Wine	20.5 %

#### Corporate profits vs living standards

While working people have been feeling the brunt big companies have seen huge profits. Large companies have continued to generate substantial profits:

- Tesco paid out £865m to shareholders in 2025
- Centrica (owner of British gas) paid £237m to shareholders
- BP reports 453% surge in net profit to £2.8bn in the first quarter of 2026

This contrasts sharply with pressures faced in ordinary households. In-work poverty is a reality for many. 1m scots and 250,000 children live in poverty. A quarter (28%) of those on Universal Credit are in work.

#### Pressure on public services

While public service workers are experiencing declining living standards, they are facing higher workloads and increasing pressure at work. Many are working unpaid overtime and recruitment and retention challenges are worsening across public services.

Public services:  
the heart of a fairer  
Scotland

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