Forum Central

The network and collective voice of the health and social care third sector in Leeds.

Leeds Third Sector Cost and Operating Pressures Survey Results

April 2026

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Summary

This report presents the results from a survey, which gathers information from third sector organisations operating in Leeds, about the financial pressures they are experiencing; the impact on staff, services and organisation viability. The survey has been run regularly since September 2022 with slight modifications and additions to capture relevant information each time. **Findings detailed in this report relate to the survey which ran between 1 April and 1 May 2026. A total of 72 organisations responded.**

Headline findings from results and comments:

The funding landscape and sustainability remains the biggest risk for VCSE organisations in Leeds. Uncertainty around future grants, short-term contracts, and limited uplifts in commissioned services continue to create instability.

Staffing pressures are one of the highest concerns, driven by National Living Wage increases, National Insurance contribution rises, recruitment difficulties, and retaining skilled staff. Several organisations noted they are "at full stretch" or "running on goodwill".

Energy and consumables costs continue to add financial strain. While energy prices have stabilised slightly since last year, bills and supplier costs remain higher than pre-pandemic levels.

Workforce wellbeing and mental health featured strongly in comments, with leaders describing the emotional toll of maintaining services amid constant uncertainty.

A growing number of organisations, reported **waiting lists or turning people away** (around 56%), especially in mental health, frailty, disability, and long-term condition support. A growing number, almost half (about 44%) said they still had capacity.

Over 64% said their financial position has deteriorated since last year, while a small number (around 19%) reported slight improvement due to new or diversified income.

Despite the pressures, organisations continue to adapt and innovate to avoid closures or job losses.

Common approaches include:

- Volunteers stepping up to sustain key services
- Use of reserves to retain staff and meet wage uplifts
- Restructuring management and back-office functions for efficiency
- Sharing premises, merging roles, and joining forces with other VCSEs to cut costs

April 2026 Results

Findings in this report are not *directly* comparable to previous cost pressures reporting as the organisations which respond may be different each time.

Staff reduction

51.5%

have either lost or are at risk of losing staff in April 2026, compared with **46.8%** in October 2025

63.5%

do not see losing staff as a current risk, compared with **23.4%** in October 2025

Financial position

64.7%

say their financial position has **deteriorated** either 'a little' or 'a lot' compared to **63.5%** this time last year, April 2025

Service closure, reduction and waiting lists

70.7%

either risk having to make service reductions or closures as a result of cost pressures, or they have already closed or reduced a service(s), compared with **68.3%** in October 2025

only **13.8%**

do not see service reduction as being a current risk, compared with **10.4%** in October 2025

40.9%

of respondents are either not able to accept new users (**9.1%**) or are operating a waiting list (**31.8%**) compared with **54.1%** in October 2025

Organisation viability

35.3%

responded 'yes' or 'maybe' that they were concerned about the risk of organisation closure in April 2026. Compared with **32.5%** in October 2025

Risk Factors

70%

of respondents voted **Funding landscape / sustainability** as their highest risk/concern

Top Three Concerns

- Funding landscape and sustainability
- Energy
- Estates (cost of buildings)

Key Messages

This survey provides a useful picture of how the sector has changed since September 2025. Comments provided by respondents, and our broader engagement with members and our networks, gives us a more rounded understanding of what the numbers may mean for third sector organisations:

- Third sector organisations continue to be under intense financial pressure.
- Many participating organisations have lost or risk losing staff.
- Service provision and capacity remains under pressure, though concern has reduced.
- The likelihood of organisations closing remains a concern for almost a third of respondents.
- Levels of organisational risk being managed are increasing.
- Some organisations are running at unsustainable levels of risk.

April 2026 Results

Key Data Points

Staff reduction

- 52% of respondents have reported that they have either already lost staff (19%) or they are at risk of losing staff (32%) as a result of cost pressures. This is compared to 47% last October.
- A further 9% responded 'maybe' to the risk of losing staff.
- 34% of respondents did not think that their organisation risked losing staff. Compared with 23% last October.

Service Reduction

- 71% of responses indicate that they had either closed services (5%) and/or reduced services (17%), and/or that they risk having to make service reductions or closures (48%) as a result of cost pressures.
- A further 16% responded 'maybe' when asked if they were concerned about the risk of service reduction.
- 14% (8 organisations) did not see service reduction as a risk.

Organisation Closure

- 35% of respondents answered 'yes' (16%) or 'maybe' (19%) to organisation closure being a current risk.
- This is notably lower than the staff and service reduction figures.
- This represents an increase since last October when 25% answered 'yes' or 'maybe', compared with 35% this April.
- 65% answered 'no' they are not concerned about the current risk of organisation closure.

Risk Factors

- The top three concerns from our list of options were:
  1. Funding landscape / sustainability
  2. Workforce mental health
  3. Energy costs
- 49% of respondents selected 'Funding landscape/sustainability' as their highest risk/concern.
- 40% of respondents selected 'Workforce mental health' as second concern and 22% chose 'Energy costs' as thier third concern.

Financial position compared to last year

- 65% reported that the financial position of the organisation has deteriorated compared to the same time last year.

- 18% of respondents said their financial position 'deteriorated a lot'.
- Nealery half (47%) said their financial position had 'deteriorated a little'.
- 15% reported that their financial position has 'stayed the same'.
- 19% said their position 'improved a little' whilst 2% said it 'improved alot'.

Note: Comparisons have been made between this survey and the last survey's data from October 2024. This is *not* a direct comparison as different organisations may have responded to each survey. The comparison is provided for broader context and as an indication of similarities and differences but should only be used as an indicative cross section of a larger picture.

April 2026 Results

Key Data Points continued

Waiting Lists

- 59% of respondents report having capacity and do not operate a waiting list. Conversely, 41% are either unable to accept new users (9%) or are operating a waiting list (32%).
- Capacity varies by service, with the heaviest strain hitting Mental Health, People with Learning Disabilities and Neurodiversity, Long Term Conditions, Children, and Frailty."

Strained services face three main bottlenecks:

- **Chronic Waiting Lists:** Core services (Home Care, Befriending, Food Banks) face 6–12 month waits. Providers reach just 4% of local need but face huge ethical strain trying not to turn people away.
- **The Funding Chasm:** Rising demand far outpaces available grants ("no funding, no groups"). Loss of long-term funders and the end of the HHSF have caused drastic cuts to homeless and mental health support.
- **Staffing Bottlenecks:** Teams cannot afford to replace staff or cover sick leave, forcing reliance on skeletal part-time roles. This staff shortage has also forced a slowdown in recruiting new volunteers.

Risks and issues to flag

- When asked if they wanted to flag a risk for possible inclusion on a Population/Care Board's risk register, just 3% responded 'yes'. A further 9% stated that they already had flagged a risk.
- In contrast, nearly 2 in 3 organisations (65%) did not wish to flag a risk relating to the populations they support, while 23% remained unsure.
- For the minority of organisations that did flag a risk, Mental Health was by far the most prominent group, accounting for 5 of the total risks flagged (63%). The remaining flagged risks were evenly split, with 1 risk each (13%) identified for People With Learning Disabilities and Neurodiversity, Frailty, and Same Day Response services.

Organisation Size

There was a good spread of organisations responding to the survey, although this does not fully reflect the estimated composition of the Leeds third sector, as outlined in the State of the Sector report. More responses from Micro and Small organisations would make the findings more representative of the sector. More responses from Micro and Small organisations would make these results a truer reflection of the composition of the sector.

Background

Forum Central has run this survey regularly since September 2022. It ran quarterly from September 2022 until April 2024, and six-monthly since then. The results of each survey are published shortly after the survey closes. A summary report was produced in October 2024, collating results from six surveys.

All previous survey results and the Summary Report can be found on our Forum Central and Doing Good Leeds Partnership website.

The questions in the survey gather information from organisations about concerns relating to:
Staff reduction, Service reduction, Organisation closure, Waiting lists and service capacity, Risks and issues relating to population health and population groups.

Recognising the importance of celebrating the dynamism and resilience of the sector the final question asks organisations to report on any positives which have emerged from change.

What our members say

We have had no uplift on our main contract since 2019, which equates to around a 20% cut, so we are subsidising to that level.

Uplift to living wage, NI contributions, energy costs all increase expenditure while income is being reduced.

If the third sector is expected to continue carrying significant responsibility for prevention, inclusion, and crisis response, then more stable and strategic support is needed.

We have cut our cloth and can manage at current service levels but there is little scope for expansion or developing anything new.

We have seen commissioners cut our budgets, stop providing services or take services back in house to alleviate their own budgetary pressures."

Very late confirmation of extension to contracts. Staff uncertainty and risk of redundancy. This is a recurring theme over many years.

The demand is there but we cannot fund any more teams of professionals. We have at least a 6–12 month waiting list in some areas. This has been the case for 2–3 years.

3 of our main contracts have had no uplift since their inception in 2018, 2022, and 2023 respectively, meaning we cannot operate a full cost recovery budget.

Survey Results The Data 2022 - 2026

Surveys are shared widely with Forum Central members and networks, and advertised online and via our networks.

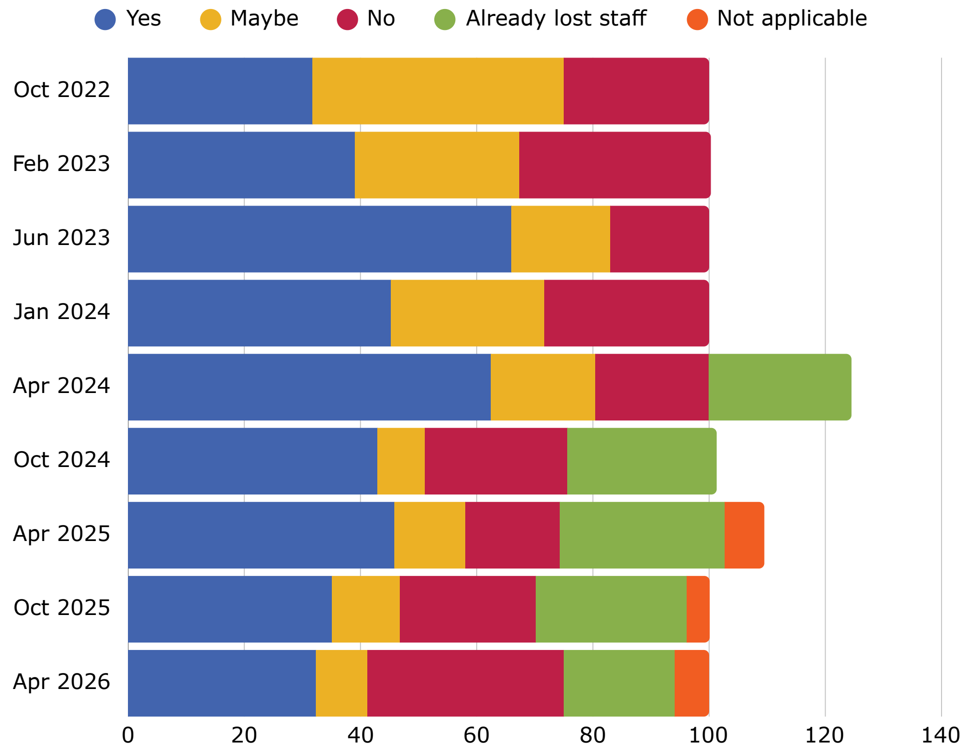
Total numbers of unique respondents:

Oct 2022	Feb 2023	Jun 2023	Oct 2023	Jan 2024	April 2024	Oct 2024	April 2025	Sept 2025	April 2026
44	46	47	53	56	48	74	74	74	72

Risk of losing staff

Are you concerned your organisation is at risk of losing staff as a result of rising costs?
Distribution of respondents answers by percentage.

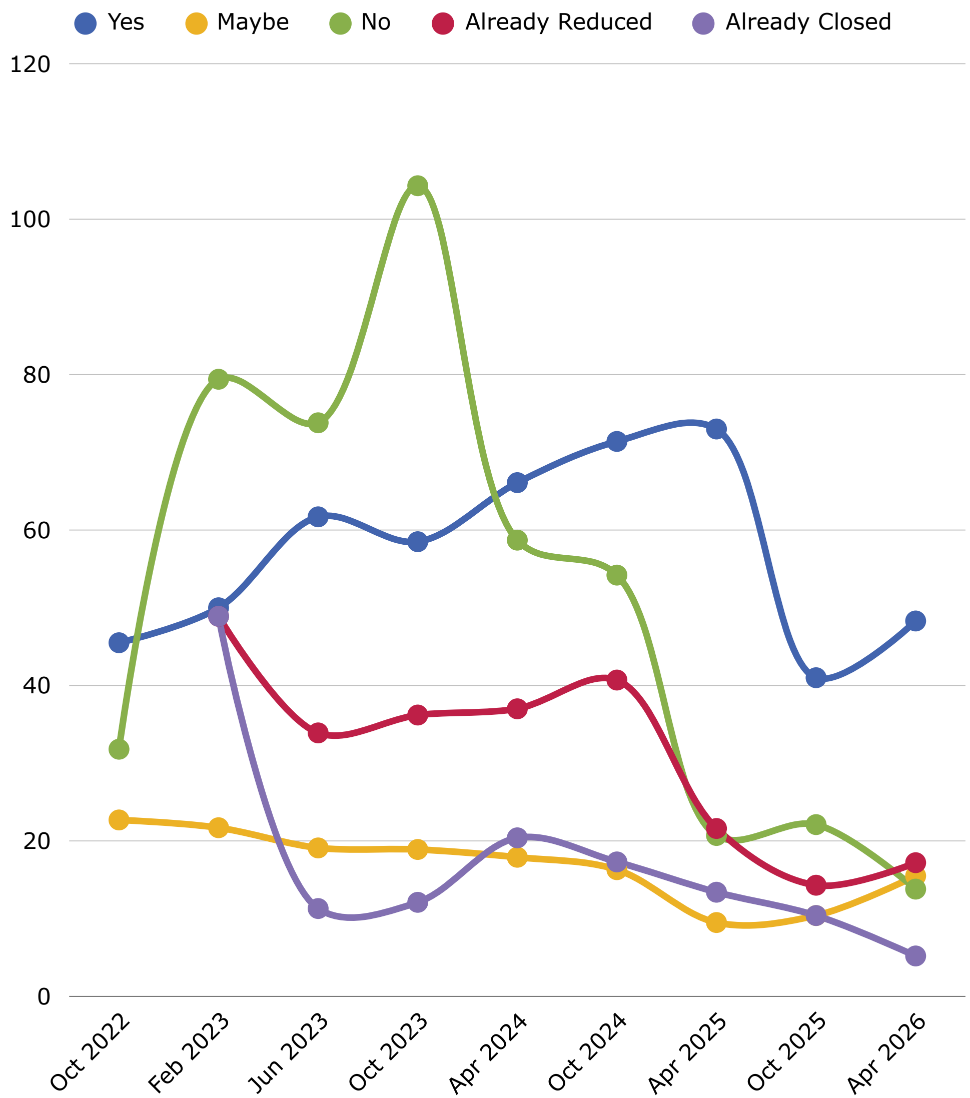
Response	Oct 2022	Feb 2023	Jun 2023	Jan 2024	Apr 2024	Oct 2024	Apr 2025	Oct 2025	April 2026
Yes	31.8	39.1	66	45.3	62.5	42.9	45.9	35.1	32.4
Maybe	43.2	28.3	17	26.4	17.9	8.2	12.2	11.7	8.8
No	25	32.9	17	28.3	19.6	24.5	16.2	23.4	33.8
Already lost staff					24.5	25.7	28.4	26	19.1
Not applicable							6.8	3.9	5.9



Risk of service reduction

Are you concerned your organisation is at risk of service reduction as a result of rising costs? (%)

Response	Oct 2022	Feb 2023	Jun 2023	Oct 2023	Apr 2024	Oct 2024	Apr 2025	Oct 2025	April 2026
Yes	45.5	50	61.7	58.5	66.1	71.4	73	41	48.3
Maybe	22.7	21.7	19.1	18.9	17.9	16.3	9.5	10.4	15.5
No	31.8	28.3	19.1	22.6	16.1	12.2	17.6	10.4	13.8
Already Reduced		48.9	33.9	36.2	37	40.7	21.6	14.3	17.2
Already Closed		48.9	11.3	12.1	20.4	17.3	13.4	10.4	5.2
No / Not Applicable		51.1	54.7	51.7	42.6	42	–	10.4	0
Not Applicable	–	–	–	–	–	–	3.1	1.3	0

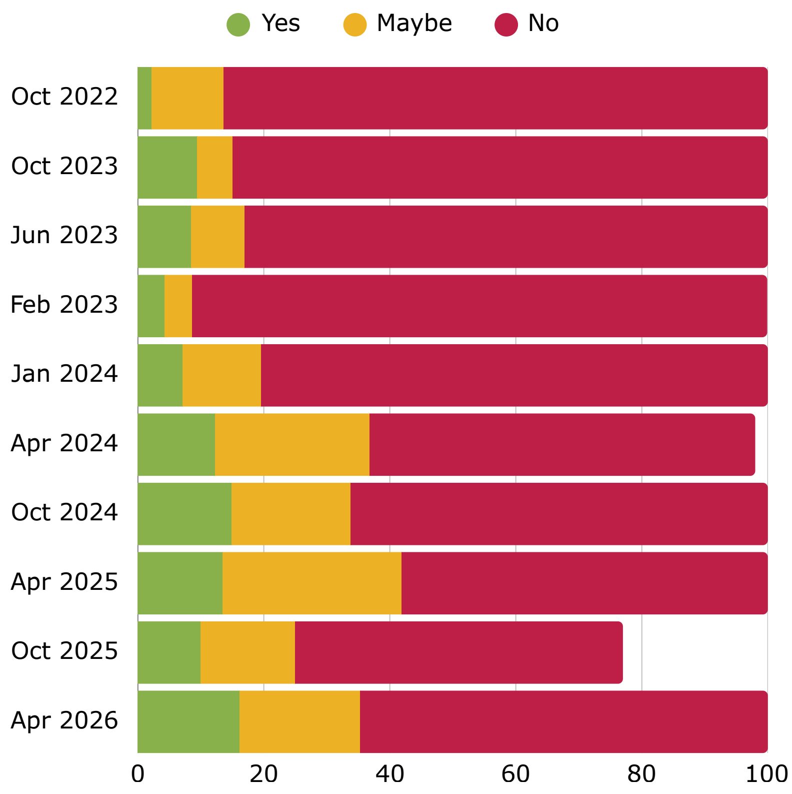


Risk of organisation closure

Are you concerned your organisation is at risk of closing as a result of rising costs? (%)

	Yes	Maybe	No
Oct 2022	2.2	11.4	86.4
Feb 2023	4.3	4.3	91.3
Jun 2023	8.5	8.5	83
Oct 2023	9.4	5.7	84.9
Jan 2024	7.1	12.5	80.4
Apr 2024	12.3	24.5	61.2
Oct 2024	14.9	18.9	66.2
Apr 2025	13.5	28.4	58.1
Oct 2025	10	15	52
April 2026	16.2	19.1	64.7

Distribution of respondents answers by percentage



A note on dates: Each quarterly survey was open for at least one month to gather responses and in the following month the results were collated and published. This may have meant the survey was open in one month and results published two calendar months afterwards, e.g. survey goes live in September, is open until late October, results published in November. To simplify the dates for readers of the report and to help with continuity we have used one month to refer to each survey. This means the statements regarding the findings may be accurate to within one month, e.g. “21.3% responded ‘yes’ to risk of closing in April” but responses may have been submitted in March.

Waiting lists

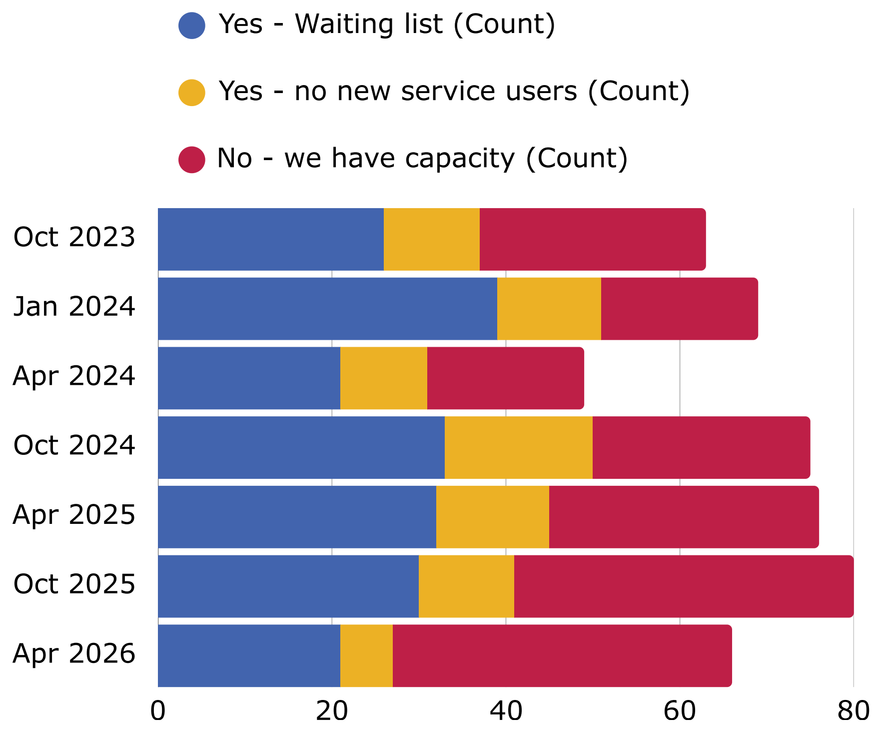
Have you had to operate a waiting list or not accept new services users* because you are at full capacity? (select all that apply)

No. responses (% of total no. respondents)

Survey respondents	Yes - Waiting list	Yes - no new service users	No - we have capacity	Not applicable / other
Oct 2023	26 (49%)	11 (20%)	26 (49%)	
Jan 2024	39 (69.6%)	12 (21.4%)	18 (32.1%)	
Apr 2024	21 (43.7%)	10 (20.8%)	18 (37.5%)	
Oct 2024	33 (44.6%)	17 (23%)	25 (33.8%)	5 (6.8%)
Apr 2025	32 (43.2%)	13 (17.6%)	31 (41.9%)	6 (8.1%)
Oct 2025	30 (37.5%)	11 (13.8%)	39 (48.8%)	0 (0%)
April 2026	21 (31.8%)	6 (9.1%)	39 (59.1%)	0 (0%)

No. of responses

Note: unlike previous charts this shows number of responses rather than percentage of respondents due the multiple choice nature of the question.



A note on terminology: the term ‘service user’ is not a term we like to use because it doesn’t reflect a person-centred approach, however it is a recognised term to refer to the people which organisations work with and support.

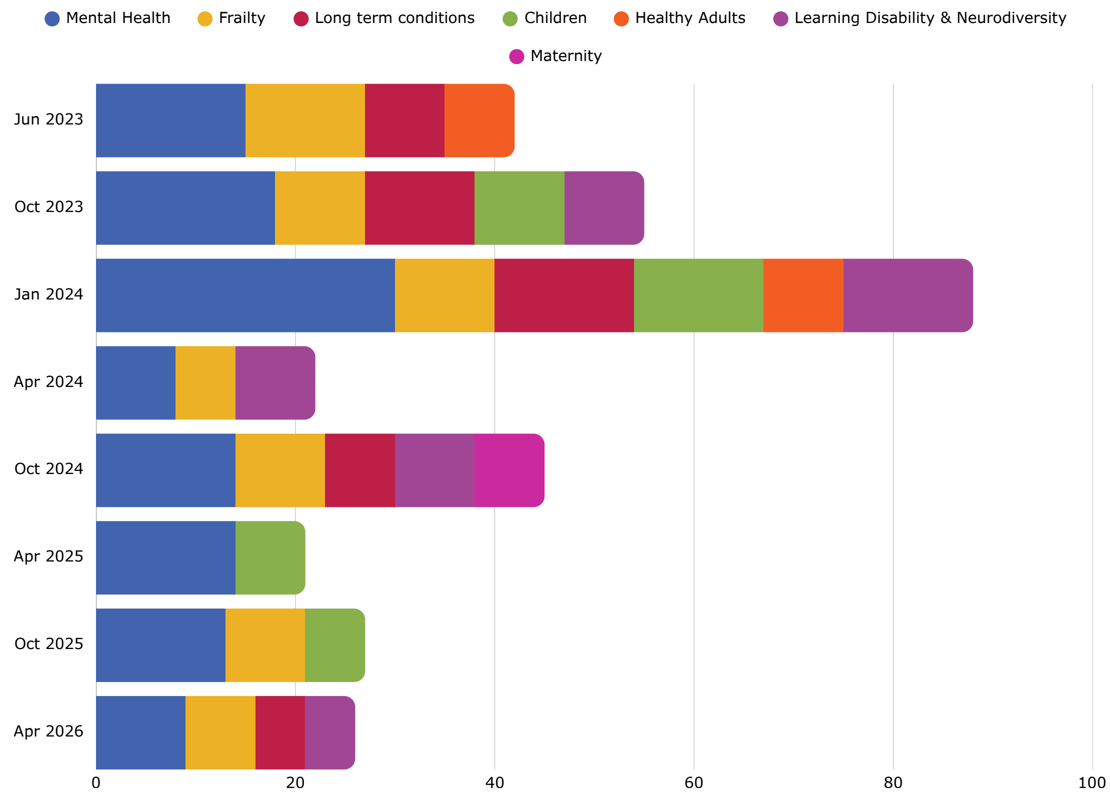
Populations affected by services at risk

Would you like to flag a service at risk for possible inclusion on a Population/Care Board's risk register? (select all that apply):

- Maternity (conception to birth + 12 months)
- Children (under 18 years - old & not in the maternity segment)
- Healthy Adults
- End of Life
- Learning DisabilityandNeurodiversity
- Mental Health
- Cancer
- Frailty (Over 65s, often dependent for personal care and multi-morbidity)
- Long Term Conditions
- PlannedCare(awaiting anelective procedure/appointment with Community/Acute services)
- Same Day Response (used "on the day" services)

The drop between January and April 2024 may be due to an April wording update, which explicitly asked if users wanted to flag a specific risk/issue for a Population/Care Board's risk register.

(no survey respondents)	Jun 2023	Oct 2023	Jan 2024	Apr 2024	Oct 2024	Apr 2025	Oct 2025	April 2026
None / blank	17	16	12	27	48	50	29	-
Mental Health	15	18	30	8	14	14	13	9
Frailty	12	9	10	6	9	-	8	7
Long term conditions	8	11	14	-	7	-	-	5
Children	-	9	13	-	-	7	6	-
Healthy Adults	7	-	8	-	-	-	-	-
Learning Disability & Neurodiversity	-	8	13	8	8	-	-	5
Maternity	-	-	-	-	-	7	-	-
End of life	-	-	-	-	-	-	-	-



Options will fewer than 5 responses in any survey have not been included in the overview of results.

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