

The Perfect Little Children's Home?



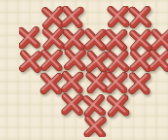
Why are
children's homes
getting smaller?



dialogue

Summary webinar

September 2026



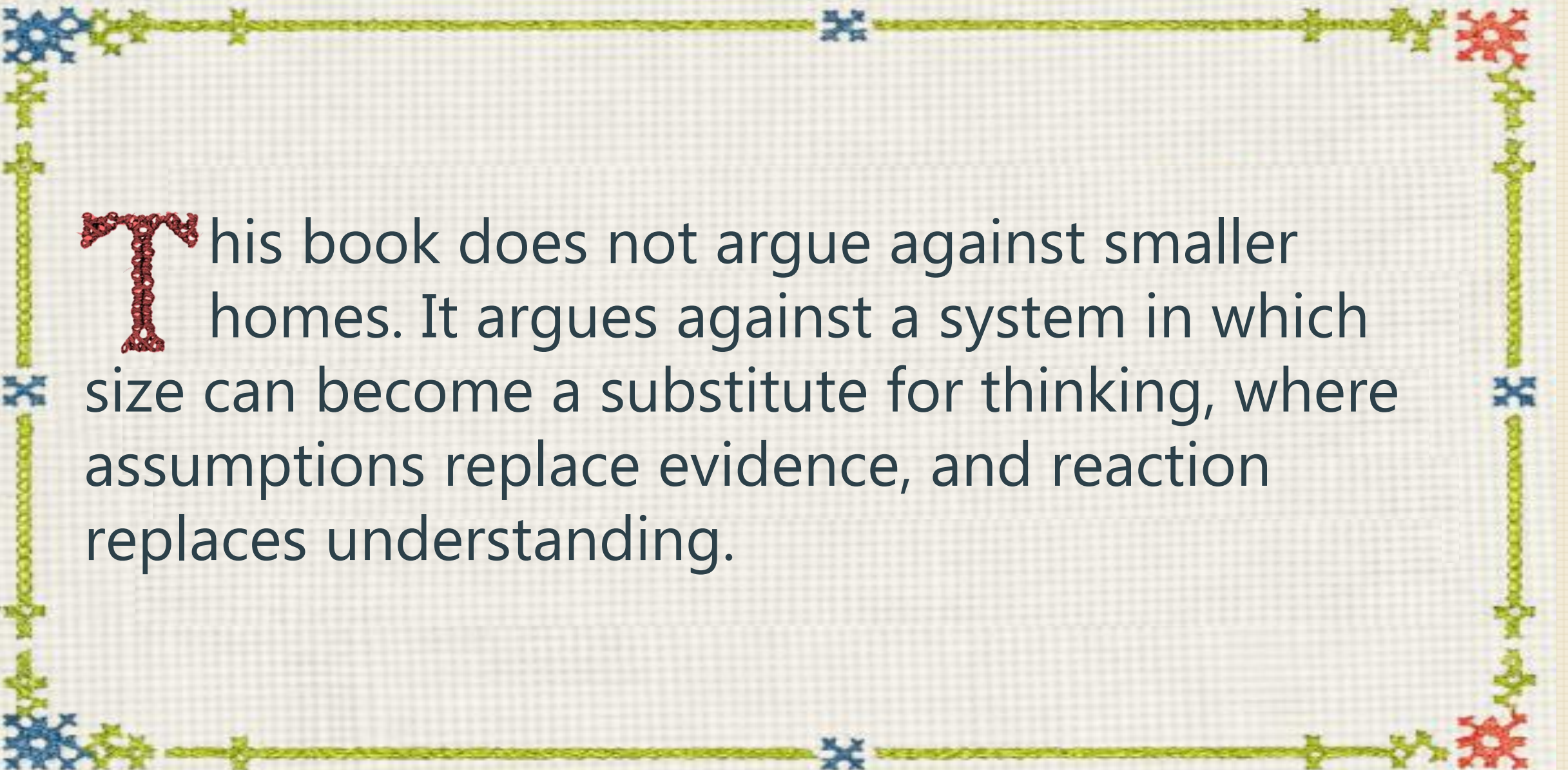
John Woodhouse

dialogue

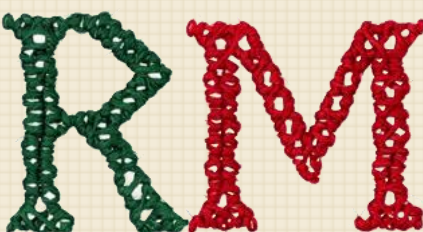
john@dialogueltd.co.uk

<https://dialogueltd.co.uk/perfect>

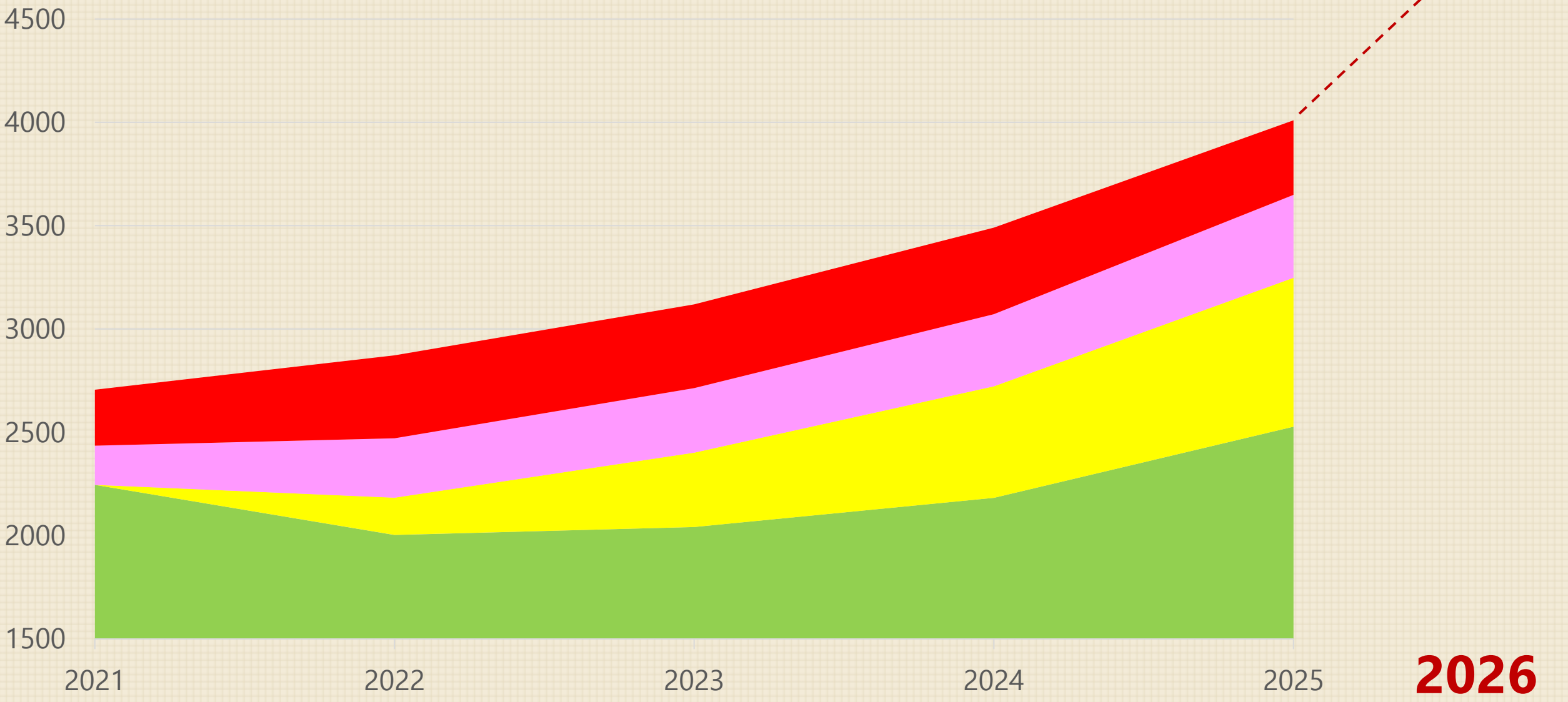


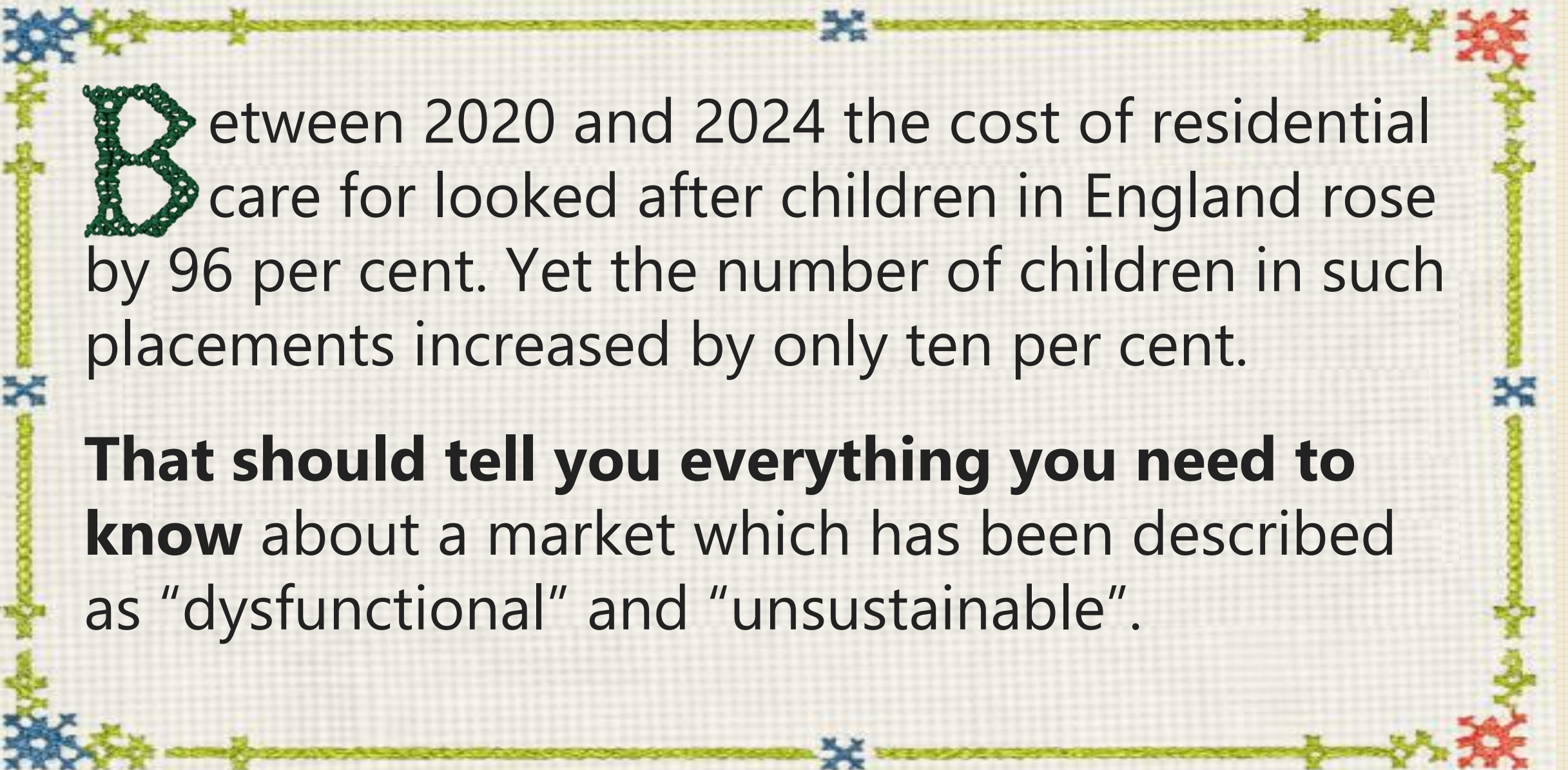


This book does not argue against smaller homes. It argues against a system in which size can become a substitute for thinking, where assumptions replace evidence, and reaction replaces understanding.



vacancy rates
www.dialogueltd.co.uk/research





Between 2020 and 2024 the cost of residential care for looked after children in England rose by 96 per cent. Yet the number of children in such placements increased by only ten per cent.

That should tell you everything you need to know about a market which has been described as "dysfunctional" and "unsustainable".



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Why children's homes are getting smaller

10 practice perspectives on our sector

1

Steve Percival

History: legacy & reform

2

Andrew Rome

The economics of smaller homes

3

Dr Kevin Gallagher

Size & the therapeutic 'task'

4

Jonathan Stanley

Evidence — or anxiety?

5

Jacqui McCann

Solo placements & deprivation of liberty

6

Nick Scribbins

Lived experience: where I belong

7

Wendy Williams

Commissioning: the reality in practice

8

Victoria Elworthy

Small is not simple - leading homes

9

Dan Hope

A global perspective

10

Emmanuel Akpan-Inwang

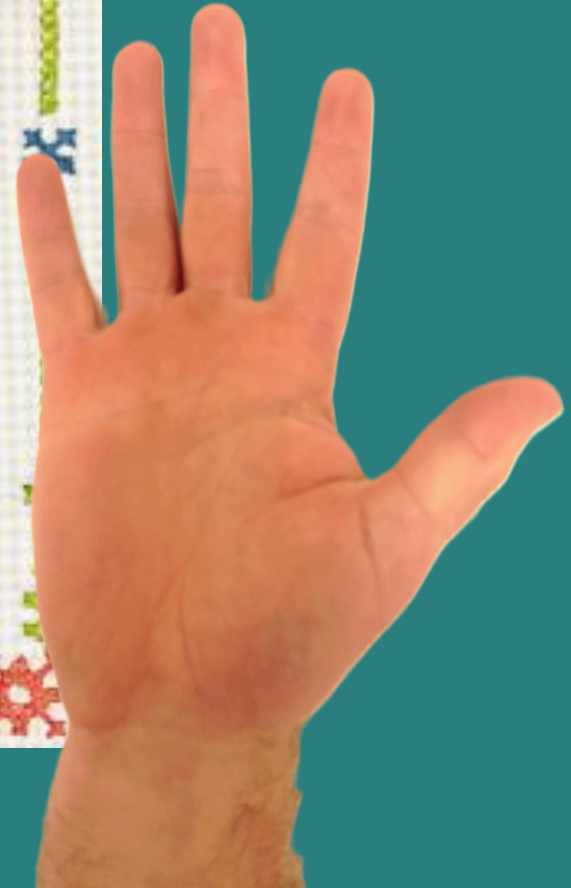
Alternative European models

Number of registered places	2016	2025	Percentage change
1	106	326	208%
2	224	786	251%
3	367	1027	180%
4	389	842	116%
5	263	425	62%
6	278	309	11%
7+	257	231	-10%
	1884	3946	109%

Source: Ofsted (2016, 2025) in: Andrew Rome (2026)



Profit drives the move
towards smaller
children's homes





Are smaller homes a better investment decision?

Probably not... although more accessible to new providers

- **Cost less to buy**, but less efficient per place
- **Easier to find**, but may be less suitable
- **Fewer staff**, but bigger impact of sickness, performance issues etc
- **Higher staff ratios**, with staff being the highest single cost
- **Vehicle and other fixed costs**, distributed across fewer young people
- **Costs of regulation**

"Although there may be some perceived advantages of investment in smaller homes, ultimately, ***the cost per available place in a small home is higher than the costs of a place in a larger multi-occupancy home***. Commercially, smaller homes are therefore a greater risk proposition for providers, which could act as a disincentive to investment compared to larger homes."

Source: Andrew Rome (2026:25)

I think children's
educational attainment
improves in care



Rebalancing the system: Children's Services spending, 2011-25

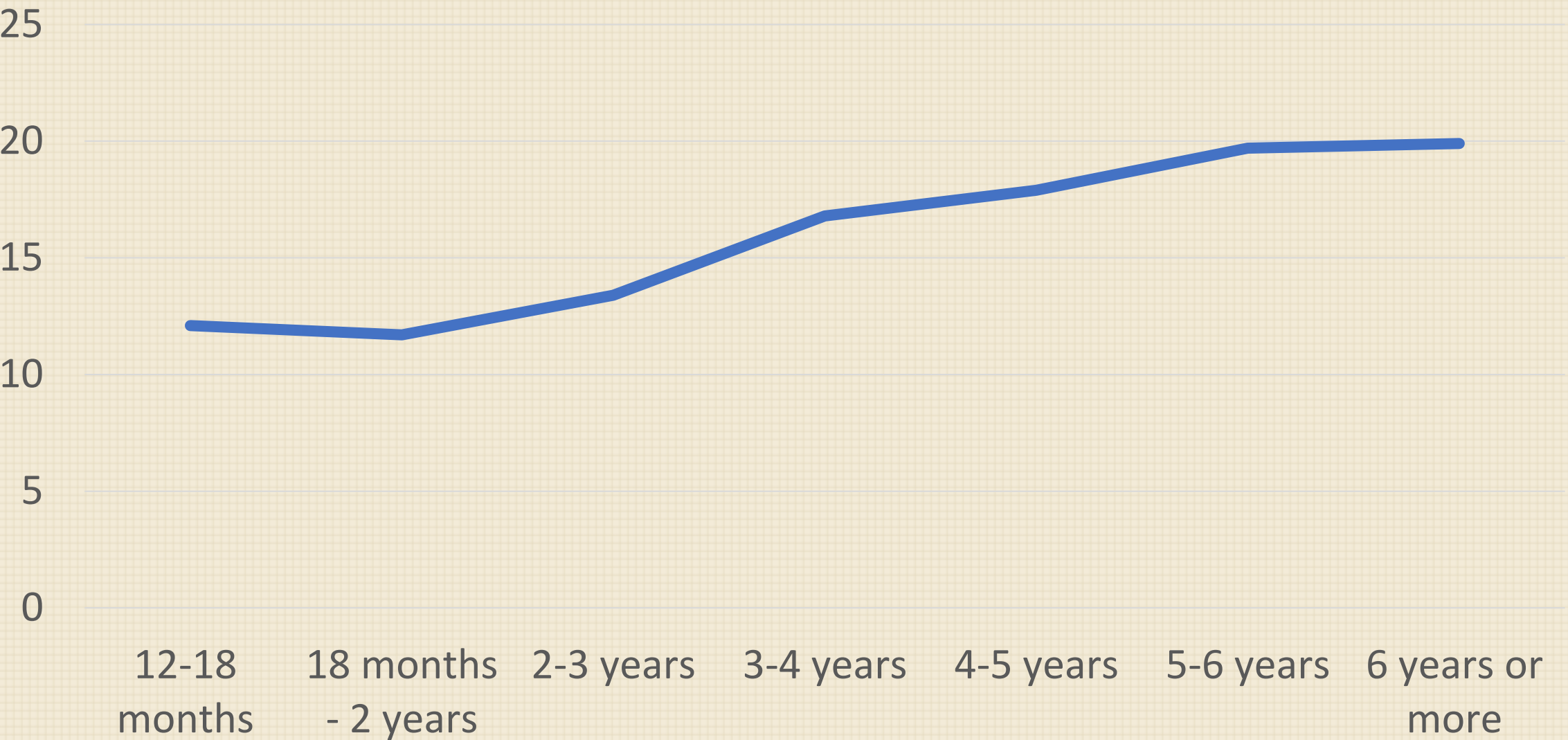
Marie Horton and Jon Franklin

June 2026

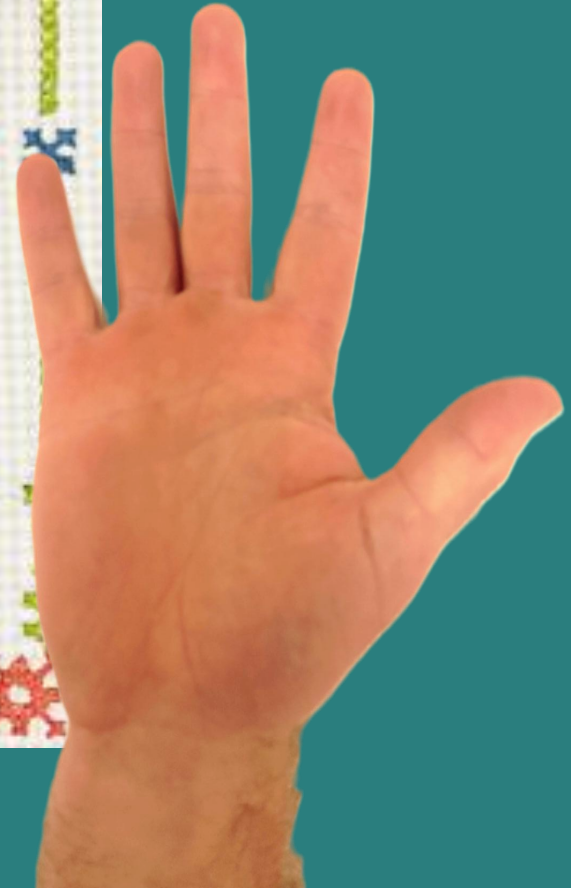


For those finishing school, the average Attainment 8 score for children in care is less than half that of the overall pupil population (17% compared with 46% for the overall pupil population in 2024/25)

**KS4 Attainment 8 CLA for at least 12 months at 31 March, by
period of care length, England 2024/25 (DfE, 2026)**

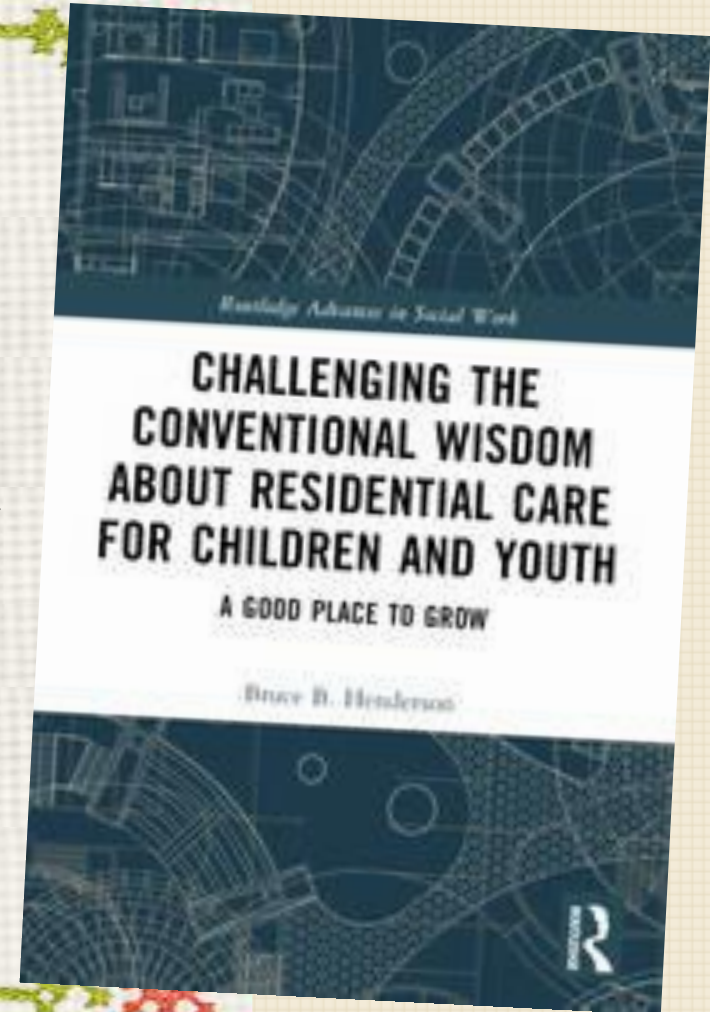


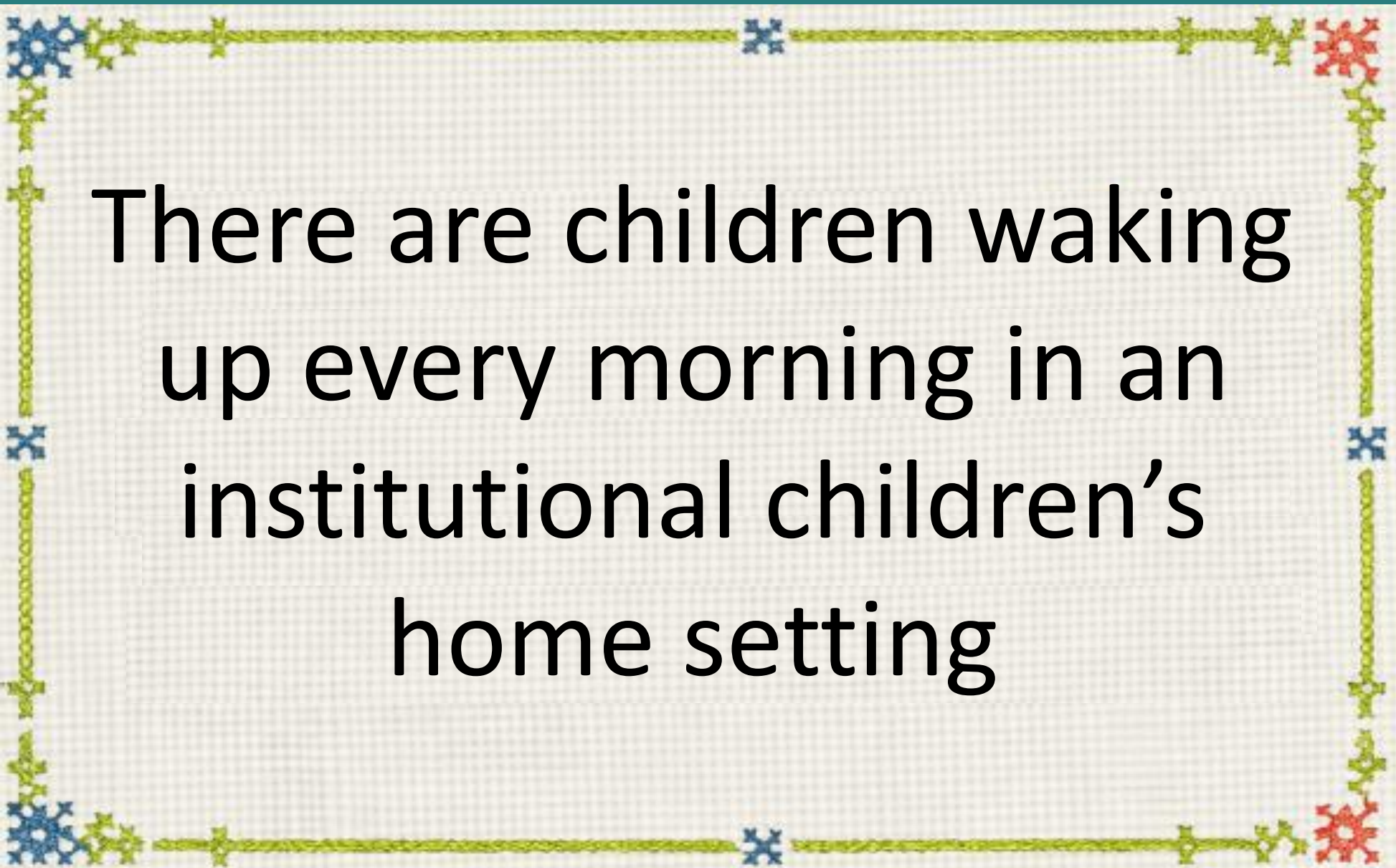
I am generally and
genuinely confident about
the quality of care in
children's homes



Assumption? Evidence?

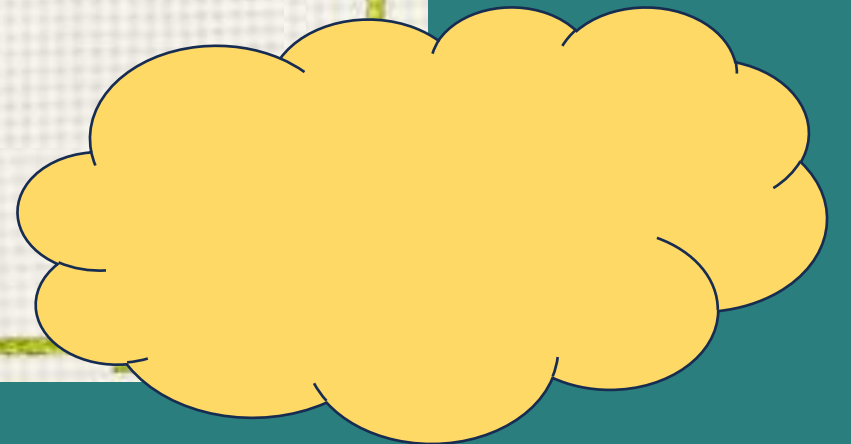
Henderson's examination of over 400 academic references concluded that the negative view of residential care is based largely on the overgeneralisation of research on infants and very young children raised in large Eastern European orphanages, and should not be generalised to older young people or better-resourced environments.





There are children waking
up every morning in an
institutional children's
home setting

There are children waking
up every morning in an
**institutional children's
home setting**



ORPHANAGE

The image is a cinematic still from a movie, likely 'The Orphanage'. It depicts a dark, rainy night. A large, ornate, dark-colored archway dominates the upper half of the frame. The word 'ORPHANAGE' is written across the top of the arch in large, gold, serif capital letters. The letters appear slightly weathered or aged. Below the arch, in the background, a tall, dark clock tower with a visible clock face stands out against the stormy sky. Other buildings are partially visible behind the tower. The sky is filled with dark, heavy clouds, and several bright, jagged lightning bolts are visible, illuminating the scene with a blueish-white light. The overall atmosphere is ominous and mysterious. The rain is visible as numerous white streaks falling diagonally across the entire frame.

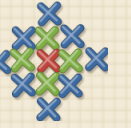
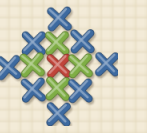
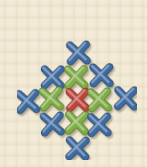
INSTITUTION
FOR YOUNG SOULS
WHOSE PARENTS HAVE
SADLY PASSED ON

That's ok

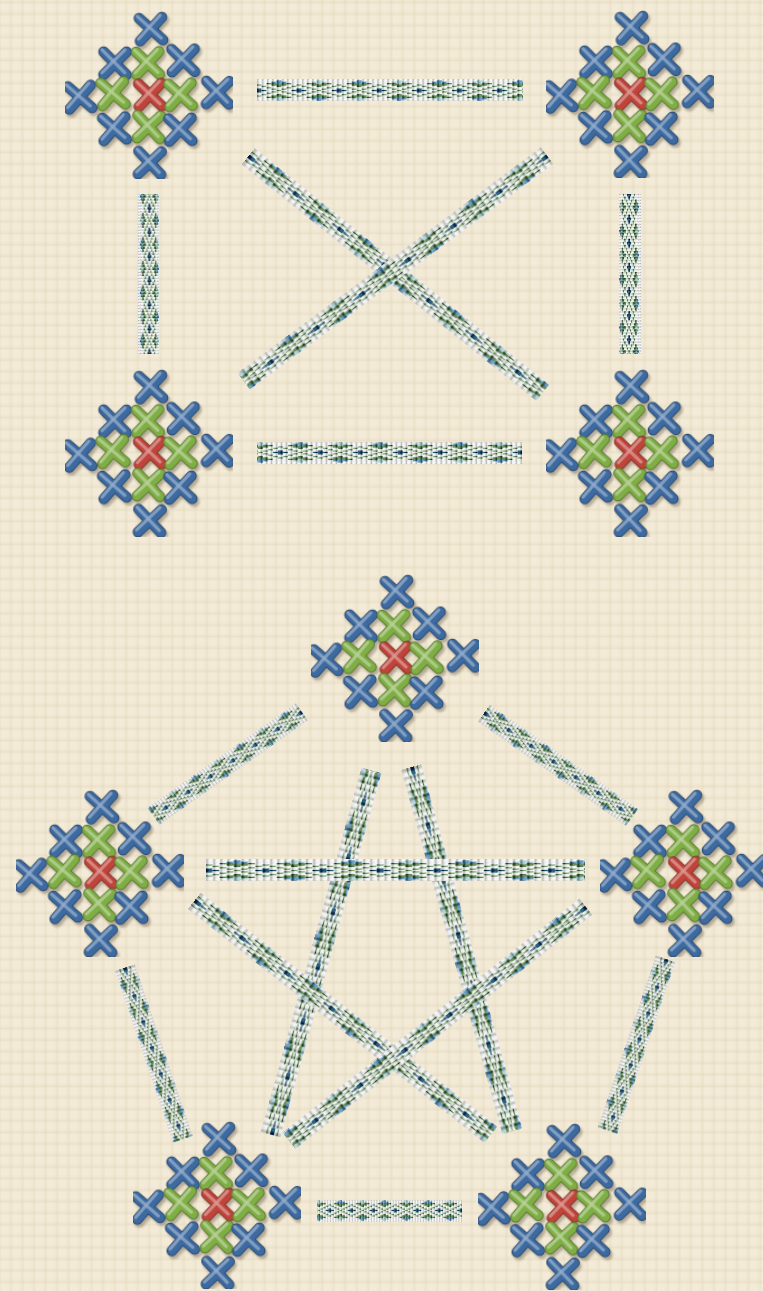
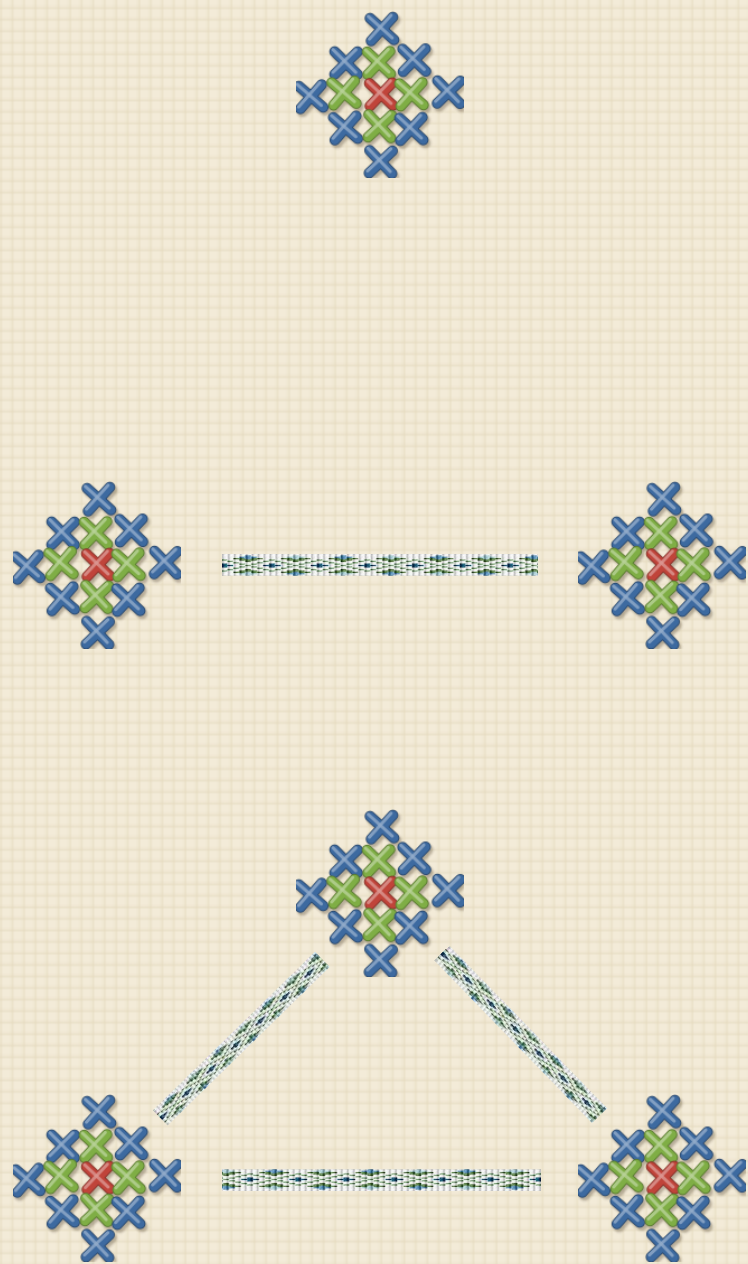




reconnect our language



- Children's homes – not 'institutions' or 'markets'
- 'internal working model' of residential care
- Frame our **expectation**... CCTV, offices, working on shift etc.
- Greater **specificity** – what is therapeutic care?



A decorative border made of a repeating cross-stitch pattern in blue and green on a white background, framing the central text.

Containment *of* Anxiety

1

provider

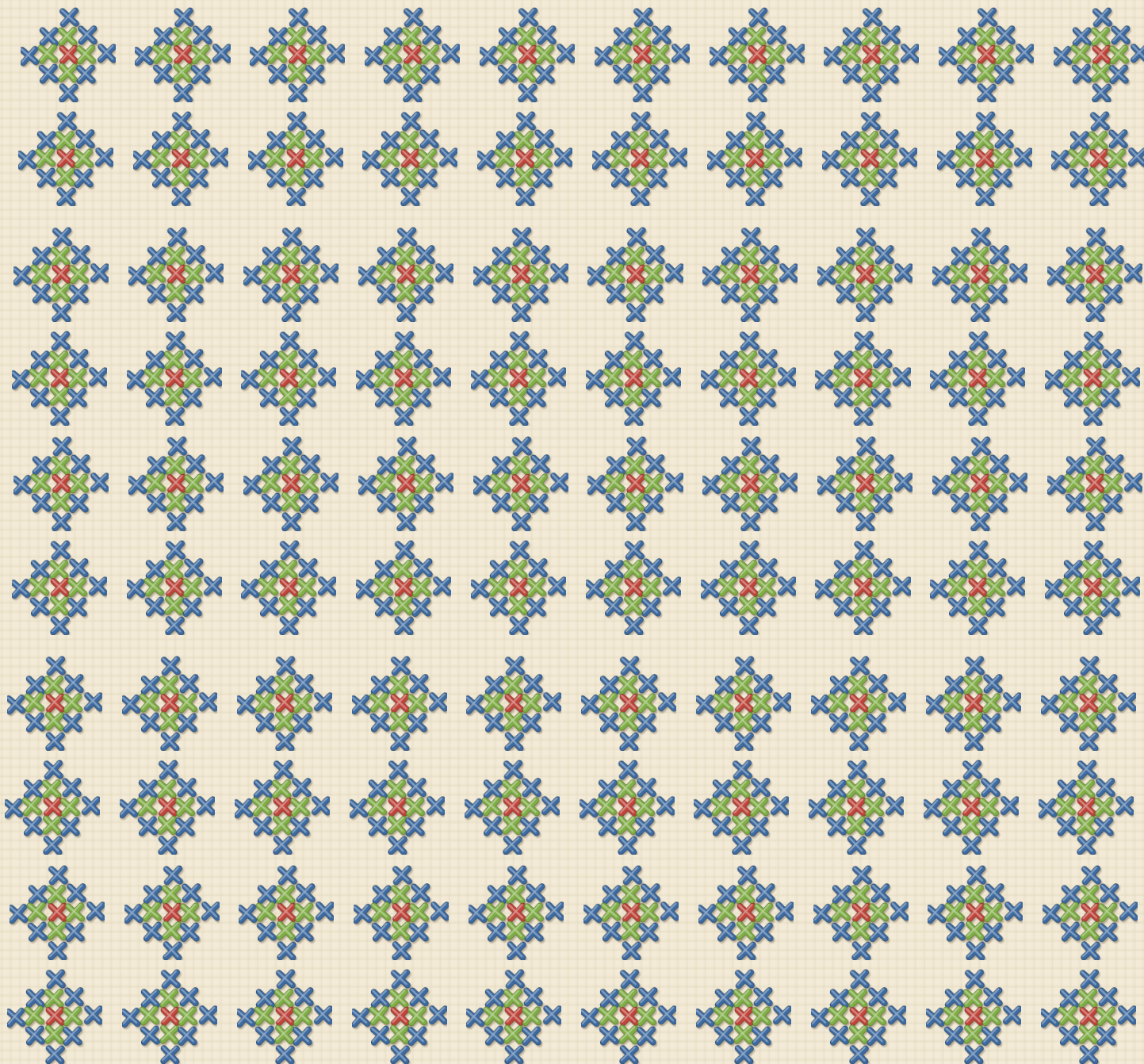
First 100

of the 150

referrals

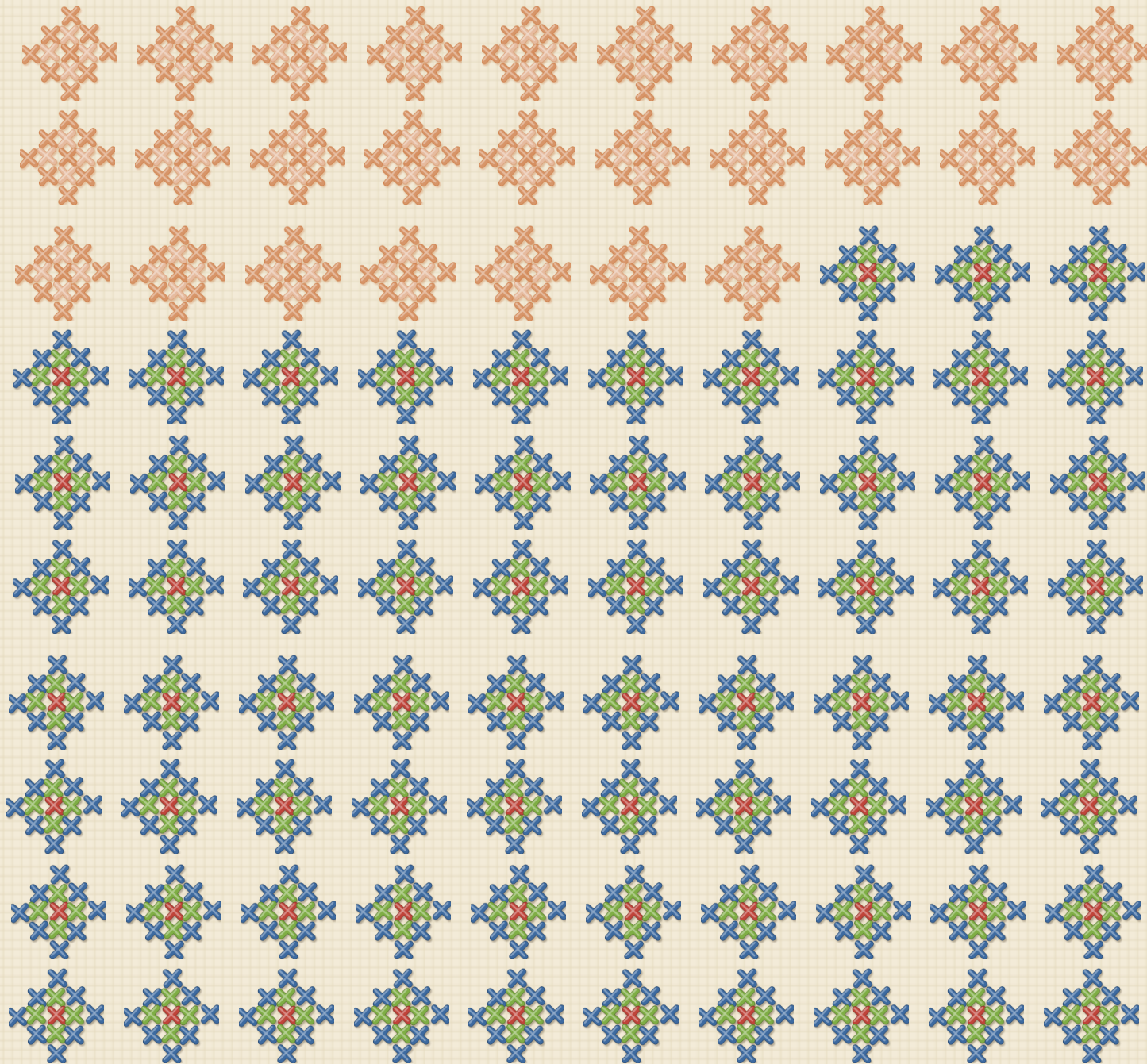
1

day



100
referrals

27 for
solo or
high
intensity
provision



100

referrals

27 requested

solo/high

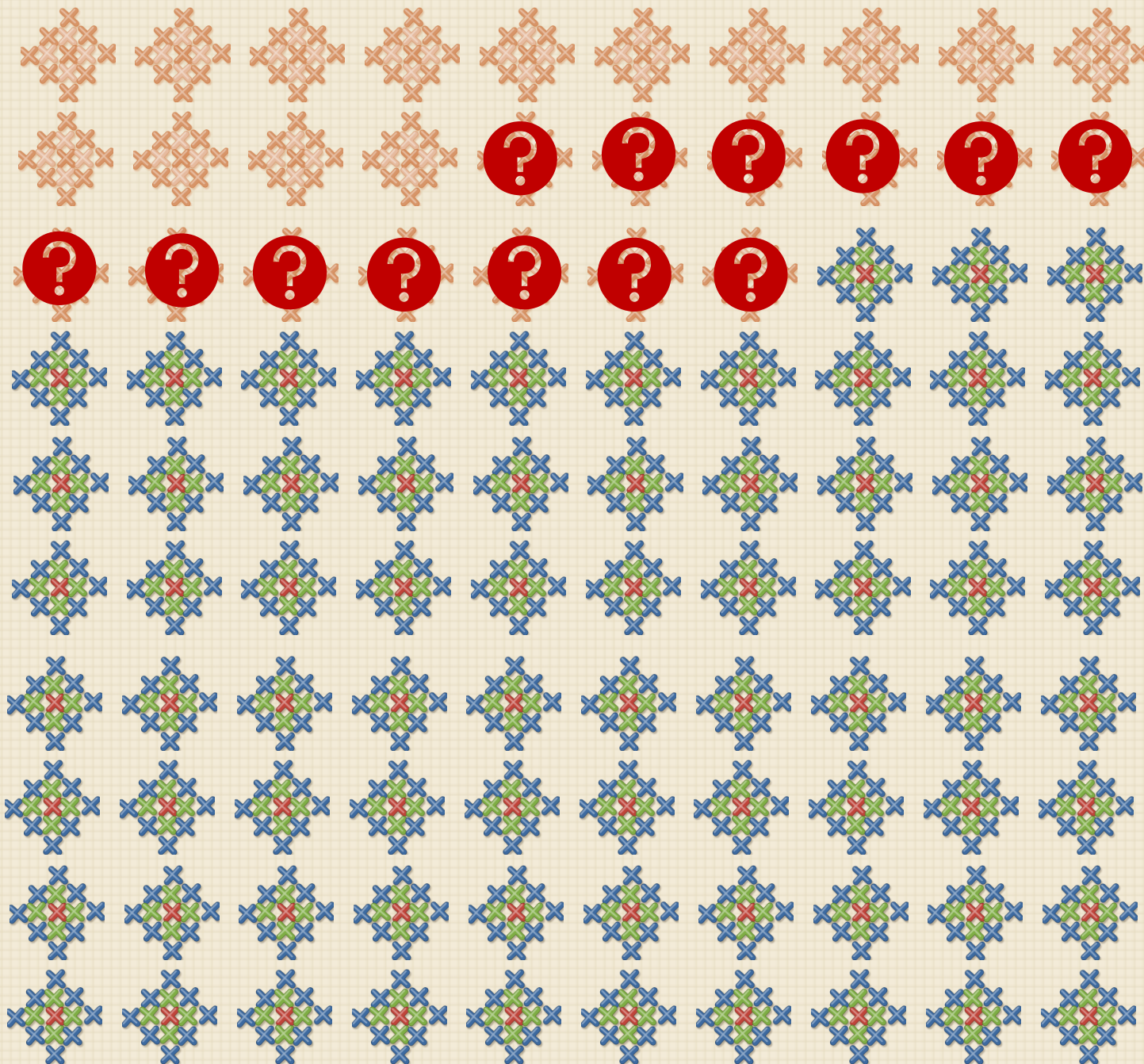
13

doubtful

needed this

level of

support





But, why don't they exist?



We cannot just

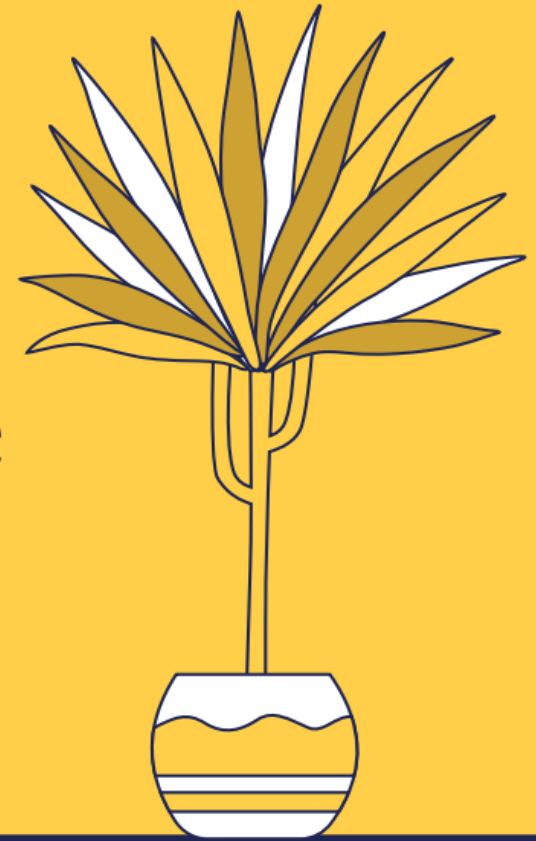
‘Fix
the
Market’





Caring for children in complex situations: Five learning points and a case for change

Findings of the Peer Collaborative



Five learning points

#1 The children aren't 'complex' – the services and systems are

We regard children and their needs as 'complex' – but the reality is that services and systems have failed to meet their multiple, intersecting needs.

#2 At crisis points, care is even less effective

As a child's distress increases and a point of crisis is reached, services become less able to respond effectively – and children are less likely to be involved in decisions, listened to or heard.

#3 Services struggle to flex

Professionals are often constrained by service pathways, practice and culture – this can lead to mechanistic responses that prevent children from accessing the tailored care they need.

#4 Short-term decisions to keep children safe can cause long-term harm

A preoccupation with eliminating risk can disconnect children from important relationships and their communities.

#5 The 'system' can make things worse for children, not better

Overwhelmed, stuck and fragmented systems and services can be harmful.

Relationship

The Framework for Integrated Care

A catalyst for change to
enhance services for children
and young people at risk



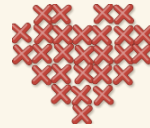
- Helping systems can become unhelpful
- Young people rarely present with a single ‘problem’
- Every interaction matters
- Build relationships and trust
- Trauma-informed, not disparate
- Integrated, collaborative
- Practitioner focused
- Understand behaviour in context
- Reflective

\$ummary...



Purpose before size

Decide what a home is for — then how big it should be



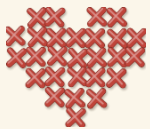
Relationships at the core

Stable, enduring relationships are the intervention



A workforce that stays

Invest to end the churn that costs children their bonds



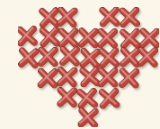
Risk-sensible, not risk-averse

Replace the risk paradigm with relationship



Shared, co-produced planning

Shared assessment, shared risk, shared plans and costs



Trust across the system

Rebuild our 'national family' on trust, not blame

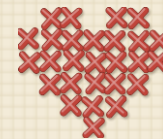
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