

Market Research -

Companies that are advertising some form of Crisis Provision

### **Five Rivers Child Care - based in Wiltshire**

- seems to be an Ofsted Registered Provider
- 9 homes, 10 Independent special schools
- They have a crisis intervention services - <https://five-rivers.org/crisis-intervention/services/> with a robust plan of support

Identify the main causes of placement breakdowns

How often are local authority placements teams finding it difficult to place young people and children? What solutions do they resort to?

What are the needs of Children's homes in England and Wales?

What are the main problems associated with Children's home?

Lists of reports in Children's Social care

<https://www.gov.uk/government/publications/good-decisions-children-with-complex-needs-in-childrens-homes/how-local-authorities-and-childrens-homes-can-achieve-stability-and-permanence-for-children-with-complex-needs>

<https://www.childrenscommissioner.gov.uk/news-and-blogs/press-notice-hundreds-of-millions-spent-by-councils-placing-vulnerable-children-in-illegal-childrens-homes/>

<https://assets.childrenscommissioner.gov.uk/wpuploads/2025/05/cco-childrens-mental-health-annual-briefing-may-2025.pdf>

<https://assets.childrenscommissioner.gov.uk/wpuploads/2025/02/cc-the-educational-journeys-of-children-in-secure-settings.pdf>

<https://assets.childrenscommissioner.gov.uk/wpuploads/2024/12/cco-illegal-childrens-homes.pdf>

<https://socialcareinspection.blog.gov.uk/2024/12/06/unregistered-childrens-homes-too-many-vulnerable-children-are-placed-at-risk/>

this is the most critical question for any aspiring provider and gets to the heart of the strategic challenge. The assumption that a children's home must be a large, detached residential property is often the first barrier. When that model is unfeasible due to cost and planning, you don't have to abandon the mission; you have to **innovate the model**.

The reports themselves provide the clues. They highlight a system failing due to its rigidity and fragmentation. Therefore, a successful new service in a challenging area will be one that is **flexible, partnership-oriented, and service-led, not building-led.**

Here are three feasible strategic pathways to start your service, even with high property costs and planning challenges.

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## Strategy 1: The Partnership Model - "You Bring the Care, We Bring the Building"

This model separates the care provision from the property ownership. Instead of buying or leasing on the open market, you partner with an organization that already has property assets.

- **How it Works:** You approach organizations like **Housing Associations, Local Authorities, or larger charities** who own residential property. Your proposition is a partnership:
    - **Their Role:** They provide a suitable, C2-zoned (or potential C2) property. They handle the asset management and major maintenance. This helps them fulfil their social purpose and secures a reliable, long-term tenant.
    - **Your Role:** You are the **specialist care provider**. You lease the building from them and run the entire therapeutic service—staffing, Ofsted registration, care delivery, and LA liaison.
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  - **Why it's Feasible:**
    - **Bypasses Capital Costs:** You don't need millions in upfront capital to buy a property. Your start-up costs are focused on registration, staffing, and operating expenses.
    - **Solves the Planning Problem:** Housing associations and LAs are experienced property managers and often have existing properties that already have the correct zoning or can be more easily converted.
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  - **Key Risk:** Success depends entirely on finding the right partner and negotiating a robust, long-term partnership agreement that gives you the autonomy needed to run the home to your standards.
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## Strategy 2: The "Service-First, Building-Later" Model (The Asset-Light Approach)

This is the most innovative model. You reframe your company not as a "home provider" but as a **specialist crisis intervention team**. Your asset is your team's expertise, not a building.

- **How it Works:** You contract with Local Authorities to deliver a **"Home Stabilisation Service."** When a child's existing placement (e.g., a foster placement, a placement with a relative, or even another provider's home) is at risk of breaking down, the LA deploys your team.
  - Your specialist team (e.g., a therapeutic lead, behavioural specialist) works intensively with the child and their carers *in their current environment* for a time-limited period (e.g., 4-6 weeks).
  - Your goal is to de-escalate the crisis, implement new strategies, provide short-term respite, and ultimately **prevent placement breakdown** and the need for an emergency move.
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- **Why it's Feasible:**
  - **No Property Required:** This model completely bypasses the property and planning problem. Your overheads are staffing, training, and transport.
  - **Addresses a Huge Need:** LAs spend vast amounts of money on failed placements. A service that can demonstrably prevent breakdowns offers enormous value and saves them money in the long run.
  - **Builds Reputation and Trust:** It allows you to build a reputation for excellence and become a trusted partner with multiple LAs. This creates the perfect foundation to launch a residential home later, with commissioners already confident in your ability to deliver.
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- **Key Risk:** This is an innovative service, so you may need to work with commissioners to create a new type of contract. It also requires a highly skilled, mobile, and flexible team.

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## Strategy 3: The 16+ Supported Accommodation Pathway

This model adapts the service to fit a different, more flexible regulatory and property framework as a strategic first step.

- **How it Works:** You start by opening a high-quality home for **16- and 17-year-olds** under the **Supported Accommodation Regulations**.
- **Why it's Feasible:**
  - **Easier Property and Planning:** These services can often be run from a standard domestic house (e.g., a 4-bedroom property) rather than a large institutional building. This makes finding and funding a property significantly easier and may face fewer planning hurdles.
  - **Lower Staffing Ratios:** The model is "support," not "care," so while high-quality staffing is still essential, the required ratios are different from a children's home for younger, more vulnerable children.
  - **Phased Growth:** It allows you to enter the market, get operational, build a team, and establish a positive Ofsted record (under the SA framework). You can then use the experience and profits from this first service to fund and launch your full therapeutic children's home for younger children as Phase 2 of your business plan.
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- **Key Risk:** You must be rigorous in ensuring you are providing "support" and not "care." If the needs of the young people require a level of intervention that constitutes care, you would be in breach of regulations. The regulatory framework for this area is also evolving, so you must stay ahead of changes.

## Combined Strategic Recommendation

For a provider facing significant property challenges, the most robust and strategically sound approach is a phased one, likely combining Strategies 2 and 3:

1. **Phase 1 (Years 0-2): Launch as an Asset-Light "Service-First" Provider.** Build your brand, team, and LA relationships by offering a highly-valued Home Stabilisation Service. This generates revenue and establishes your reputation for excellence without any property risk.
2. **Phase 2 (Year 2 onwards):** With the reputation and capital from Phase 1, launch your first property-based service. The **16+ Supported Accommodation** model offers the lowest-risk entry point into property ownership and management.
3. **Phase 3 (Future Goal):** Once the 16+ model is successful and established, you will have the operational expertise, regulatory track record, and financial stability to pursue your ultimate goal: opening a **fully registered therapeutic children's home** for younger children, potentially using the Partnership Model (Strategy 1) to acquire the property.

This phased approach allows you to enter the market, solve a real problem, build trust, and grow sustainably, even in the most challenging of property markets.