Who owns Residential Child Care? An enquiry

Part one

Introduction

The literature directly addressing the enquiry

While there is no single published book or paper explicitly titled *"A philosophical enquiry into who owns Residential Child Care"*, several prominent social work philosophers and care ethicists have written extensive philosophical and ethical critiques.

The academic literature treats "ownership" not just as a legal status, but as a deep philosophical conflict between care as a commercialised commodity and **as a moral/relational endeavour**.

1. The Critique of Technical-Rational Ownership

- **A key text:** *From Children's Services to Children's Spaces* (2002) by **Peter Moss and Pat Petrie**.
- **The Philosophical Argument:** This book could serve as a foundational philosophical text for exploration. Moss and Petrie argue that residential child care is inherently a moral and relational endeavour. **They track how neoliberal governance has fundamentally reframed these spaces into "technical-rational" systems managed by corporate and market logics rather than human ones**.

2. Feminist Care Ethics in Public Spaces

- **A key text:** *Care Ethics in Residential Child Care: A Different Voice* (2011) by **Laura Steckley and Mark Smith**.
- **The Philosophical Argument:** Drawing on the feminist care ethics of Joan Tronto and Carol Gilligan, **the authors argue that residential child care has shifted from the private/communal sphere into the public/market domain**. They critique how the instrumental focus of corporate ownership and state bureaucracy reduces the organic, shared "lifespace" of a home to strict procedures and financial data.

3. Rethinking the "Market" Culture

- **A key text:** *Rethinking Residential Child Care: Positive Perspectives* (2009) by **Mark Smith**.

- **The Philosophical Argument:** Smith applies a critical philosophical lens to contemporary priorities, regulation, risk, and corporate provider models. **He argues that the true "owner" of the child care task should be the relationship between the practitioner and the child, rather than remote corporate entities or risk-averse legal frameworks.**

4. Sociological and Political Critiques of Privatisation

There is a growing body of data-driven ethical critique tracking the rise of private equity and investment-firm ownership in children's homes. Recent studies, such as *Commercialisation and care sufficiency: the privatisation of children's homes in England* (2025/2026)[1], explore the ethical paradox of permitting corporate shareholders to generate high profit margins from the 24-hour care of highly vulnerable, state-dependent children.

Part two

Honneth's theory of recognition applied to the ownership and control of Residential Child Care

Axel Honneth's Theory of Recognition (*Anerkennung*) provides a powerful philosophical framework for analysing ownership and control of residential child care.

It can be applied across all current ownership types.

Honneth argues that human identity, self-worth, and psychological well-being are entirely dependent on being recognised by others.

He identifies three distinct "spheres of recognition" that a person needs to develop a healthy identity.

When applied to residential child care, this framework exposes ethical conflicts embedded in privatised, corporate ownership models.

1. Love and Care (The Affective Sphere)

- **The Philosophical Concept:** This sphere takes place in primary relationships (families, close friendships, and intense care settings). It builds self-confidence. It requires emotional availability, consistency, and deep, unconditional relational bonds.
- **The Conflict with Ownership:** Decisions can be driven by the priority being given to meeting the allocated budget rather than providing the culture and relationships designed to meet the needs of the child. This can lead to a reduction in the continuity of relational richness through low pay, high staff

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[1] Commercialisation_and_care_sufficiency_the_privatisation_of_children_s_homes_in_England.pdf

turnover. Honneth's theory suggests that when an organisation's primary motive is financial (as a private company exists to maximise the interests of the owners), there is always potential to structurally undermines the affective sphere, the potential for love and care. **Children cannot experience stable, authentic love and care if the faces around them change constantly due to financial forces.**

2. Rights (The Legal/Moral Sphere)

- **The Philosophical Concept:** This sphere views the individual as a bearer of equal rights, building self-respect. It means being recognised as an autonomous moral agent who has a say in their own life.
- **The Conflict with Ownership:** The state delegates its duty of care. Providers of care operating in any home of any ownership are legally accountable to regulators, and also to those who have ownership of the entity providing the service. Meeting regulatory standards ('only Good is good enough') is important to attract referrals admissions. An interpretation of regulation has created a culture of rigid, risk-averse policies designed to protect the service provider's liability rather than the child's autonomy. **Honneth's framework shows that when a child's home is subject to commodification/marketisation, their legal status shifts from a "citizen with rights" to a "service user" or a financial asset, undermining their self-respect.**

3. Solidarity (The Social Value Sphere)

- **The Philosophical Concept:** This sphere involves being recognised as a valuable, contributing member of a community, building self-esteem.
- **The Conflict with Ownership:** Selection of **the 'most appropriate placement' is required to meet the 'matching principle', needs are required to match to the ability of the provider to meet them. Unimpinged, this would be an example of true solidarity by which Honneth requires the community (often via democratic public ownership or control) to take collective responsibility for its most vulnerable members. However, other factors intervene in a system of diverse ownership types driven by selection of 'appropriate placement' by 'weighting', with an applied (often unclear, unevidenced, assumed objective) evaluation of quality of care, price, outcomes, and between ownership types**. Without the 'social contract' that binds the diversity into a shared communal responsibility being explicit there is the inevitability of creating a culture of "othering", competition between ownerships, providers, needs.

The Concept of "Disrespect" (*Missachtung*)

Honneth argues that when these spheres are denied, individuals experience social disrespect or misrecognition, which leads to psychological harm, anger, and social resistance.

When applied to the ownership debate, Honneth's theory strongly argues that residential child care should ideally be owned and governed by entities whose primary existence, concept and purpose aligns with the spheres of recognition. Only when the "owner" prioritises human relationships over finance can a home truly offer the recognition a child needs to heal and thrive. With all of the current ownership types there will be an obstacle.

Within social work literature, Honneth is frequently used to critique bureaucratic, highly monitored systems and to highlight how the lack of meaningful, stable relationships acts as a form of social "misrecognition" (*Missachtung*).

The most prominent academic papers and key citations directly linking Honneth's theory to children in care and social work practice

1. Directly on Children in Care and Residential Child CarePlacement

- **Marshall, K. (2020).** *"Honneth and positive identity formation in residential care." Child & Family Social Work*, 25(2), 329–336.
  - **The Focus:** This paper directly uses an adaptation of Honneth's recognition theory to evaluate children's homes. **It challenges the cultural narrative that residential care is a poor alternative to foster care. Marshall argues that when residential child care practice is structurally optimised around Honneth's three spheres, it serves as a highly positive space for identity formation and emotional healing.**
- **Warming, H. (2015/2026).** *"The life of children in care in Denmark: A struggle over recognition." Childhood*, 22(2) / *Sociology*.
  - **The Focus:** Warming applies Honneth to analyse social work interventions and everyday interactions for looked-after children in Denmark. **The paper argues that children in care face a continuous, structural "struggle over recognition". She demonstrates how societal expectations of the family, coupled with clinical diagnostic labels, often inflict "recognition violence" on children navigating state services**.

2. On Child Welfare Decision-Making and Participation

- **Thomas, N. (2012).** *"Love, rights and solidarity: Studying children's participation using Honneth's theory of recognition." Childhood*, 19(4), 453–466.

- **The Focus:** In this paper Professor Nigel Thomas explores how Honneth's spheres explain adult-child power dynamics. It argues that **without establishing emotional care (love) and legal validity (rights), statutory "participation forums" for children in care become tokenistic and procedural rather than empowering**.

- **Belfast Academic Group / Pure QUB (2026).** *"Children's participation in child protection decision-making: A framework for recognition."* [Social Workers Perspectives of Children's Participation in Child Protection Decision-making Processes - Queen's University Belfast]
    - **The Focus:** This current literature applies Honneth's framework to analyse how children experience trauma and voice in statutory child welfare systems. It details **how emotionally attuned social work relationships and social validation can operationalise Honneth in care planning.**

See also

Gilligan, Holt, Brady, Caffrey (2026), [Safety and beyond? Exploring children's priorities for their participation in the child protection and welfare process - ScienceDirect]

3. General Foundations: Honneth in Social Work and Justice

Wider than Residential Child Care

- **Houston, S. (2015).** *"When I look I am seen, so I exist to change: Supplementing Honneth's recognition model for social work." Social Work and Society*, 13(1).
    - **The Focus:** Professor Stan Houston (Queen's University Belfast) has written extensively on adapting Critical Theory to welfare systems. This text argues that Honneth's model is the ideal philosophical anchor to realign modern social work practice with true social justice—moving past purely financial or logistical metrics.

- **Rossiter, A. (2014).** *"Axel Honneth's theory of recognition and its potential for aligning social work with social justice." Critical and Radical Social Work*, 2(1), 93–108.
    - **The Focus:** This paper explores how social identities are acquired interdependently. **It uses Honneth to reject the neo-liberal, independent "consumer" model of the human subject, emphasising that our reliance on others makes vulnerability an issue of pure justice—a concept central to the dependent status of a looked-after child.**

Part three

A synthesis of K. Marshall’s (2020) application of Honneth’s recognition theory with a critique of commodified, financialised, marketised system reveals a profound structural paradox.

Marshall argues that residential care *can* be a powerful site for positive identity formation, provided it optimises Honneth's three spheres of recognition. However, the economic logic of corporate ownership systematically undermines the conditions necessary to sustain those very spheres.

This structural conflict can be synthesised across Honneth’s three axes of recognition:

1. The Affective Sphere (Love & Care) vs. The Capital Flight of Staff

- **The Marshall Insight:** For residential care to heal developmental trauma, it must provide an environment where children experience deep, stable, and unconditional relational bonds. Marshall posits that residential homes are uniquely capable of offering this through collective living and specialised therapeutic environments.
- **The Corporate Conflict:** Private-equity ownership models prioritise cost efficiency to maximise profit margins and service debts. In practice, this leads to a reduced relational environment often with. For example, low wages, poor terms and conditions leading to high turnover.
- **The Synthesis:** The corporate ownership model structurally prevents the manifestation of Marshall's ideal affective sphere. A child cannot experience the stable, authentic "love" required for self-confidence when their primary caregivers change continuously due to market-driven staff turnover. The relationship—the core therapeutic tool—is commodified and disrupted.

2. The Rights Sphere (Legal & Moral) vs. Corporate Risk-Aversion

- **The Marshall Insight:** In a recognition-rich environment, looked-after children are treated as autonomous moral agents whose voices genuinely shape their daily lives. This builds self-respect, transforming the child from a passive recipient of state intervention into an active citizen.
- **The Corporate Conflict:** Corporate providers are legally and financially accountable to shareholders, insurers, and regulators. To protect the company's brand and financial liabilities, corporate ownership tends to impose hyper-bureaucratic, risk-averse, and highly monitored environments.
- **The Synthesis:** When a home is privately owned, the child's right to autonomy is subordinate to the corporation's need for risk mitigation. Daily

decision-making becomes transactional and procedural. Instead of achieving the self-respect Marshall highlights, the child experiences "recognition violence" (to use Warming's term), where they are viewed as a high-risk financial liability rather than an autonomous individual.

3. The Solidarity Sphere (Social Value) vs. Geographical and Social Extraction

- **The Marshall Insight:** Positive identity formation requires that children in care feel valued by the wider community. Children's homes should act as micro-communities that bridge the gap to macro-society, fostering a sense of shared worth and collective esteem.
- **The Corporate Conflict:** Commodification and marketisation introduces the goals of capital accumulation (private provider), surplus (voluntary organisation) or saving (local authority). All stand in direct opposition to the idea of care as a collective, democratic public good.
- **The Synthesis:** Commodification alienates the child from the sphere of solidarity. By moving children to wherever the 'VFM' decision dictates they are stripped of community belonging. On a macro-level, commodification/marketisation/financialisation (CMF) frames vulnerable children as raw materials for a "care industry," reinforcing social stigma and institutional disrespect rather than societal solidarity.

Summary thus far.

While Critical Theory (via Marshall) argues that residential child care possesses the capacity to heal children through holistic recognition, through a political economic analysis we see CMF creates structural contradictions that actively prevent this potential from being realised.

Therefore, the question of 'who owns' child care is not merely a financial or administrative dilemma, but a fundamental prerequisite for ethical practice.

Part four

Alternative governance models must be examined tracking how the core operational motive shifts between capital, social and relational value.

These alternative frameworks structurally safeguard Axel Honneth's three spheres of recognition by realigning the "ownership" of care.

These other ways realign the 'ownership' of care through organising care to protect Axel Honneth's three kinds of recognition because they put care back in the hands of the people it is meant to serve and support.

1. Public Ownership (State/Local Authority Control)

Under public ownership, children’s homes are funded, managed, and democratically held accountable by local government.

- **Safeguarding Love & Care (Affective Sphere):** Local authorities do not need to extract profit or service private equity debts. Financial resources can be directly reinvested into frontline staff. This enables higher wages, robust pension schemes, and stable career paths. By structurally reducing staff burnout and turnover, public ownership preserves the long-term, consistent relationships vital for building a child’s self-confidence.
- **Safeguarding Rights (Legal/Moral Sphere):** A publicly owned home operates under a direct mandate of democratic accountability. The child is viewed primarily as a citizen and a resident of the place where they live (the term "service user" shows how penetrative has been the concept of New Public Management) in a commercial transaction. Complaints procedures and advocacy networks are integrated directly into local government structures, ensuring the child's voice has direct political and legal weight, thereby fostering self-respect as an equal citizen of that area equal to any other.
- **Safeguarding Solidarity (Social Value Sphere):** Local authorities have a vested interest in keeping looked-after children within their own borders to maintain education, health, and family links. Public ownership driven by specificity avoids out-of-area placements. The child remains embedded in their local community, and the community—via local taxes and democratic oversight—collectively recognises and values the child as "one of their own."

2. Charitable Trusts and Voluntary Sector Provision

Charitable trusts and non-profit foundations operate under strict asset locks, meaning any surplus revenue must legally be reinvested into the organisation’s social mission.

- **Safeguarding Love & Care (Affective Sphere):** The foundational ethos of a charitable trust is rooted in a specific moral or therapeutic mission rather than market competition. This allows for the implementation of deeply specialised, relationally focused frameworks that prioritise emotional security over transactional efficiency.
- **Safeguarding Rights (Legal/Moral Sphere):** Charities are governed by independent boards of trustees whose legal duty is to uphold the welfare of the beneficiaries (the children). Because they are insulated from shareholder pressure, these boards can tolerate the measured, calculated risks necessary to grant children age-appropriate autonomy. This shifts the culture from rigid corporate risk-aversion to empowering, rights-based care that cultivates self-respect.

- **Safeguarding Solidarity (Social Value Sphere):** A non-profits basis can bridge the gap between civil society and marginalised individuals. Charitable trusts often enjoy high levels of public trust, local volunteering, and community partnerships. This removes the stigma of a commercial "facility" and frames the children's home as a collective humanitarian endeavour, reinforcing social value and shared esteem.

3. Co-operative and Community Wealth-Building Models

A multi-stakeholder co-operative model - ownership and governance are shared between the care practitioners, the local community, and, where appropriate, care-experienced individuals.

- **Safeguarding Love & Care (Affective Sphere):** In a worker-owned co-operative, frontline practitioners have direct democratic control over their working conditions, shift patterns, and therapeutic methods. Empowered, highly motivated worker-owners experience significantly higher job satisfaction and lower turnover, directly stabilising the emotional environment for the children in their care.
- **Safeguarding Rights (Legal/Moral Sphere):** Co-operatives flatten traditional corporate hierarchies. Children living in a co-operative framework can be given active, structured roles in household governance (e.g. house councils with real decision-making power over budgets and daily life). This embeds their agency and builds robust self-respect.
- **Safeguarding Solidarity (Social Value Sphere):** This model embodies Honneth's definition of solidarity. By placing the home under community or co-operative ownership, care ceases to be a commodity extracted. Instead, it becomes an anchored in the local economy, fostering an inter-dependent network of mutual support and destigmatising the status of looked-after children.

4. Private and private-equity-backed providers

When defending their role in residential child care, private and private-equity-backed providers lean on utilitarian and economic arguments. They position themselves as vital partners to a cash-strapped state.

Axel Honneth’s Theory of Recognition alongside broader critical philosophy provide a challenge to these arguments.

Argument 1: Capital Injection

- **The Provider's Claim:** Local government lacks the financial capital to build new homes. Private equity injects immediate, massive capital to purchase properties, renovate facilities, and expand "beds" rapidly to meet the rising demand of the care crisis.

- **The challenge (The Illusion of Capital):**
    - **The empirical reality***:* Financial analyses show that private equity rarely brings in "new" sustainable wealth. Property is bought using highly leveraged debt that is shifted into home's own balance sheet and fees, while profits continue to investors.
    - **The Honnethian Critique:** Capital injection treats care facilities as fixed physical assets or real estate commodities. In Honneth's Affective Sphere (Love & Care), the core "infrastructure" of a home is not the brick-and-mortar building, but the stable human relationship between the child and practitioner. When capital is extracted via debt servicing, wages are squeezed, causing massive staff turnover. The provider injects *financial* capital while actively depleting the *relational* capital required for a child's psychological self-confidence.

Argument 2: Agility and Efficiency

- **The Provider's Claim:** Bureaucratic state mechanisms are slow, rigid, and risk-averse. Private providers claim to possess market agility, allowing them to open specialised homes quickly, pivot resources efficiently, and respond dynamically to complex cases.
- **The challenge (Agility as Ontological Disrespect):**
    - **The empirical reality***:* Research is showing that market "agility" actually drives providers to open the type of homes where profit margins may be maximised, with regard to needs (mainstream) or location (demand of need, supply of property) rather than whatever is required by vulnerable children. Children with multiple, high level, interaction, co-occurring needs are displaced from thinking and placement availability.
    - **The Honnethian Critique***:* Market agility is seen as a euphemism for transience and short-termism. Honneth's Solidarity Sphere requires that a child feel deeply rooted and valued by a permanent community. An "agile" corporate model relies on a rapid-exit strategy (typically selling the business every 3–5 years for shareholder returns). This environment introduces systemic instability. It treats vulnerable children as mobile units of revenue rather than citizens with a right to a permanent place in society, constituting what Warming calls structural misrecognition or "recognition violence."

Argument 3: Innovation and Choice

- **The Provider's Claim:** A competitive marketplace fosters innovation in care practice and gives local authorities a wide variety of placement "choices" tailored to specific behavioural or emotional needs.

- **The challenge (The Commodification of Rights):**
  - **The empirical reality***:* The UK Competition and Markets Authority (CMA) found that in various ways the care market does not function competitively.
  - **The Honnethian Critique***:* This defence attempts to map the logic of consumer capitalism onto human rights. In Honneth's Rights Sphere, an individual experiences self-respect when they are recognised as an autonomous bearer of universal rights. When a child's placement is subject to a spot-purchase market transaction, the child is reframed from a rights-bearing citizen into a commodity. True innovation in care cannot spring from a model designed to protect corporate liability and brand protection. It requires democratised, risk-tolerant care that prioritises human flourishing over contract fulfilment.

Conclusion

The core task in seeking to answer the enquiry "Who owns Residential Child Care?" is to address two totally different categories:

- **the business, ownership of material, and**
- **the busyness, the involvement in the emotional world off a child.**