

Service Sector Analysis

According to the ONS the service sector is responsible for between 71% and 74% of GDP in the East Midlands and East Anglia. It is also responsible for 3 in 4 jobs.

Given these figures it is easy to extrapolate these figures to the Deepings – 60.3% of the population are of working age and unemployment is low at 2.3% meaning that around 7800 residents of the Deepings are employed in service industries. Many of these roles will be in the large insurance, financial services and media firms that are based in and around Peterborough

The service sector is broad ranging from hairdressers and chiropodists through to media and advertising agencies. The Deepings has a fairly typical mix from the sector.

The service sector has a high level of owner operated businesses, many of whom are home based workers.

The services industry can be broadly divided into two sub categories - Personal Services and Professional Services.

In the personal services sector the Deepings is well served – there are 26 Hairdressers & Barbers, most of whom have a shop front operation, although there are a couple of home based and a couple of mobile operations.

We have 8 beauticians in shop-front based operations and several home-based operatives who operate on a formal or informal basis.

There are a further 10 other medical professionals ranging from dentists and chiropodists through to chiropractors and physiotherapists with shop-front based businesses.

Additionally, there are 4 gyms that serve the community all of whom provide some level of personal and healthcare services. Nutrition and diet advice is provided by 5 different practitioners and there are some 13 therapists of various types operating in the Deepings area.

Elder Care – There are five residential care homes, one with a specialist Dementia Care Unit. Two are owned independently, two by a regional chain and one by a national chain. Between them they offer around 170 beds. In addition, there are two care at home franchises offering private care for clients in their own homes.

The professional services sector is fairly typical for a town the size of the Deepings. The exception being the business centre at Eventus, on the Northfields industrial estate.

The Deepings is served by one Bank – Barclays, open three days per week, two post offices both of which are collocated with convenience stores. There are no longer any other financial institutions in the town following the closure of Norwich and Peterborough in 2017 and HSBC in 2016. The High Street features a handful of service companies, six estate agents, a couple of accountants and IFA practices, one general insurance broker and two TV and Computer repair shops.

Broadening the financial sector there are - 12 Accountancy firms, 14 Financial Advisors and Mortgage Firms operating in the Deepings some from the Eventus centre and the majority working from home-based offices.

Media and Internet – there are five media and internet based firms in the Deepings covering all aspects from graphic design through to search engine optimisation. The biggest firm Zazzle has over 40 employees, the others employ staff in single figures. There are four publishing companies who

produce traditional print magazines. There is a large disaster recovery centre which allows firms to plan for business continuity.

Legal – There is one traditional high street solicitors, and four paralegal law firms in the Deepings

The Eventus Centre – This centre was built in 2010 by Lincolnshire county council with funding from the European Regional Development Fund. It continues to be owned and operated by Lincolnshire County Council and offers office accommodation for 34 firms. Additionally, the centre has 35 virtual tenants who make use of its facilities. The centre houses firms as diverse as online retailers, an outbound marketing call centre, two training companies and two travel firms. Each of the tenants benefit from a centralised reception. The use of four different sized meeting rooms. A call handling service, an on-site restaurant, shower facilities and a large car park.

The centre is fully occupied and currently has a waiting list of firms wishing to move in. The waiting list is for firms wanting either single seat offices or 10-20 seat offices.

We have not addressed public services, such as schooling or health as part of this analysis. Suffice to say these sectors are significant employers and are severely overstretched.

Moving forward as the Deepings continues to grow there is a need for additional facilities across the sectors.

Elder Care will see continuing growth in demand. Current providers report that they are at or very near to capacity. Both the in-home services and residential services will need to build extra capacity. However, growth in this area is tricky as sourcing staff who are willing to undertake caring jobs is difficult. Current providers report difficulties with both recruitment and staff retention.

The Eventus centre is an excellent model for the future growth of the service sector and a second centre built along similar lines would provide an excellent opportunity to stimulate growth in the sector. It would satisfy the existing demand for space and allow for expansion. Whilst it would be a large upfront investment, the Eventus centre is profitable and provides an excellent proof of concept.

The community is poorly served by banks and building societies, but notwithstanding the growth of online banking it would be desirable to see the Deepings attracting a financial institution into the town centre.

The service sector is the primary driver of growth across the economy, and the Deepings is no different. It is difficult to see significant growth in either retail or manufacturing in the area as it continues to grow, but the service sector alongside leisure and tourism offers the best opportunity for the Deepings to grow and thrive in the future. Consequently the service sector should receive the lions share of any investment going forward to reflect the 71% - 74% share of the economy.