



South Africa

Crime Tracker

October 2017

Bryte Insurance, a proactive business risk specialist, today released its **Q2 2017 Crime Tracker**; an indicator of long-term business crime trends in South Africa as captured by insurance claims for the period April – June 2017. The **Q2 2017 Bryte Crime Tracker** measures the annual change, on a quarterly basis, in crime-related claims (due to hijacking, robbery, theft and malicious damage) committed against South African businesses.

This follows – and measures for the period after that covered by – the SAPS' crime stats report, which is predominantly focused on reported crimes against individuals during the period 1 April 2016 to 31 March 2017.

Bryte Crime Tracker: April – June 2017

The **Bryte Crime Tracker** reflects a 7.7% year-on-year contraction in Q2 2017 when compared to a 2.7% year-on-year contraction recorded in Q2 2016. The decrease in crimes against business is a positive indicator that preventative measures are being increasingly adopted by businesses.



**SLOWDOWN
NOTED IN
OVERALL
CRIMES AGAINST
BUSINESS**



**THEFT AGAINST
BUSINESSES
DECREASED**

**INCIDENTS
OF CONTACT
CRIMES SHRINK,
FOLLOWING
A SHARP
INCREASE IN
Q4 2016**

**BRYTE CRIME TRACKER GRAPH 1:
CHANGE IN CRIME-RELATED CLAIMS TRENDS**

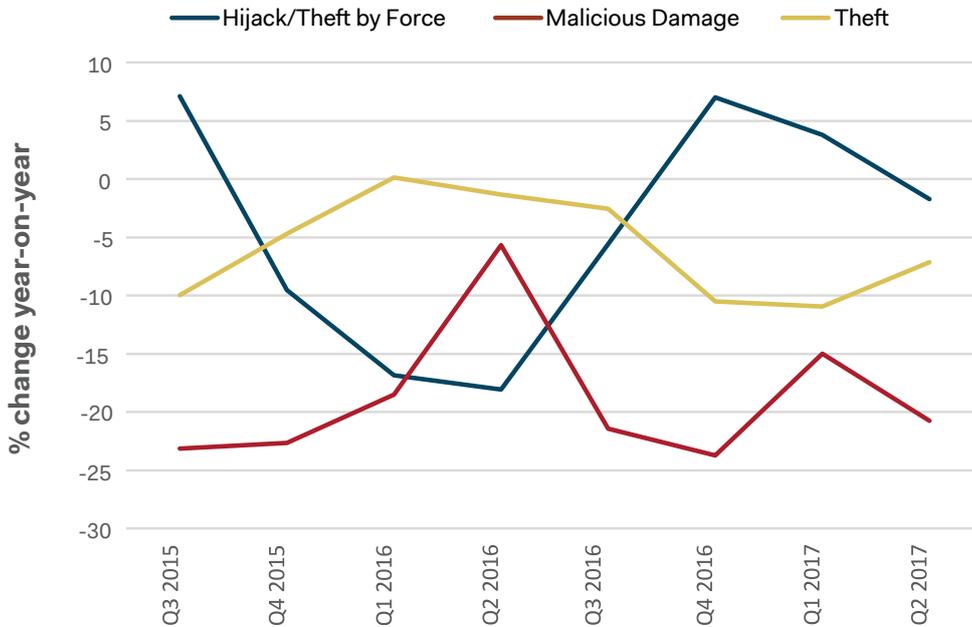


The above graph compares crime data over a two-year period, based on percentage growth or decline. The Bryte Crime Tracker recorded a 9.9% annual contraction in Q3 2015, peaking at 2.3% in Q1 2016 and falling considerably in Q1 2017 to a 10.4% contraction. This has now slightly reversed to a 7.3% quarterly contraction in Q2 2017.

Although the data reflects an improvement in the overall exposure of businesses to crime, increasingly, evidence suggests that the same crime syndicates target both businesses and homes. The modus operandi involves tracking employee movements and bypassing security features such as alarm systems, cameras and even security guards to gain access to property.

“At Bryte, we partner with customers throughout the lifecycle of their policies rather than just supporting them at claim stage. Our focus is as concentrated on proactive risk mitigation as it is on ensuring our customers are adequately covered and that claims are effectively paid. Our proactive approach is aimed at helping customers comprehensively understand their exposures and safeguard their business’ against threats – known and unknown,” said **Cloud Saungweme, Chief Claims Officer at Bryte Insurance.**

**BRYTE CRIME TRACKER GRAPH 2:
CONTACT CRIME, MALICIOUS DAMAGE AND THEFT:
APRIL – JUNE 2017**



The above graph compares business crime data – specifically contact crime, malicious damage and theft – with the previous year based on percentage growth or decline.

Of the three defined categories, *Contact Crime*, *Malicious Damage* and *Theft*, theft-related claims continue to dominate. The **Theft** category decelerated to a 7.1% annual contraction in Q2 2017 from 1.3% in Q2 2016 reflecting a decrease in the incidents of theft.

The Bryte Crime Tracker for **Contact Crime** (robberies and hijackings) contracted to 1.7% year-on-year in Q2 2017 from an 18.1% contraction in Q2 2016. While this marks an increase from the same period last year, a continued decline is however reflected in the incidents of contact crimes over the past two quarters.

*“Looking at motor vehicles, specifically, what has been interesting to note is a marked increase in requests for insurance. This trend shows progress especially when one considers that the recent **Victims of Crime Survey 2016/17 report** revealed that motor vehicle hijackings increased by 93% in a 12-month period. The SAPS crime stats report adds to this stating that on average 46 cars were hijacked per day in the 2016/17 period analysed.”* added Saungweme.

The rate of contraction in the **Malicious Damage** (to fixed and movable assets) category increased to 20.7% in Q2 2017 from 5.7% in Q2 2016. Interestingly, however, the **Victims of Crime Survey 2016/17 report** noted a 15% increase in the number of incidents relating to deliberate damage to homes. For businesses, damage owing to protest action remains a concern; data from SASRIA revealed that claims from three protest action-related events, alone, led to damages in excess of R3 million.

“The cost of crime in South Africa is very difficult to determine, however, there is no doubt the losses are in excess of hundreds of billions of Rands. The wide-reaching impact is felt across consumers, businesses and the economy, impacting the country’s global competitiveness. Sharing crime-related data nationally is critical as this social ill cannot be fought as an individual company. Businesses need to rally together and work with communities and government to successfully reduce the instances of crime and help South Africa realise its immense potential,” concludes Saungweme.



Contact

Registered Address

15 Marshall Street, Ferreirasdorp,
Johannesburg, 2001, South Africa

T +27 (0) 11 370 9111
www.brytesa.com

Postal Address
PO Box 61489, Marshalltown, 2107

Bryte Insurance Company Limited

A Fairfax Company

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