



Does crime pose a threat to sustainable economic activity?

A home is more than a house and the land on which it is built, it is a place where memories are made and a safe place in which we can genuinely express ourselves. Consequently, the choice of home and its location are decisions that need to be carefully considered. A key consideration is safety; homeowners and renters need to be assured that their valuables are safeguarded and their loved ones do not live under a constant threat of danger.

While private security companies and neighbourhood watches contribute towards community safety, the South African Police Services (SAPS) is still the main body tasked with enforcing the laws of the country. SAPS provides statistics about crimes that were reported in all police stations during the preceding financial year. Although not all crimes are reported, these statistics can still provide potential home buyers and renters a good indication of the relative safety and crime trends of areas when searching for their next home.

Crime Categories

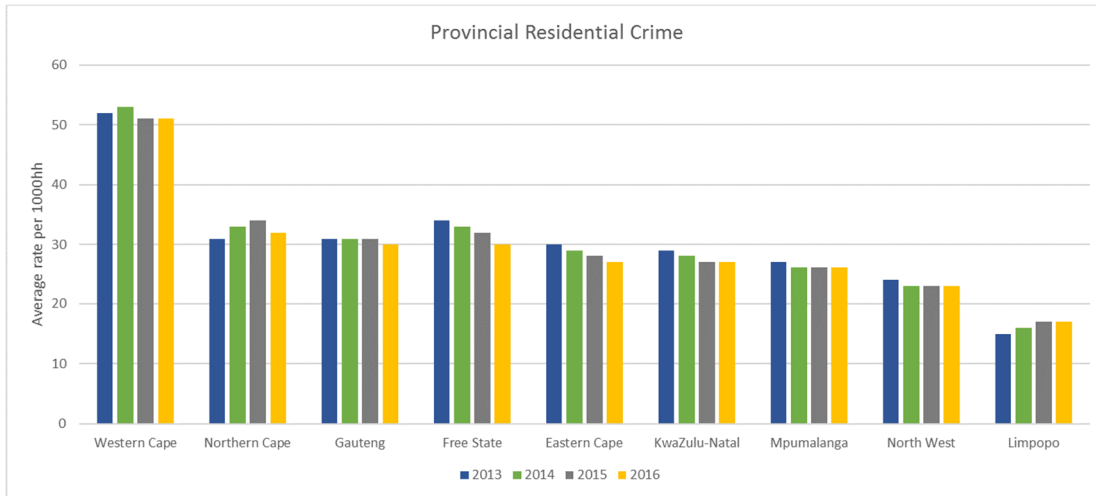
Lightstone classify malicious damage to residential property and home burglary as **residential crime**, and burglary, shoplifting and robbery at non-residential premises as **non-residential crime**. We do remove the other SAPS reported crimes that do not fit into either of these categories.

Crime Category	Absolute Values			Per 100 000 People		
	2015	2016	Growth (%)	2015	2016	Growth (%)
Lightstone Groups						
Residential Crime	789 318	782 654	-0.84%	1 436	1 399	-2.54%
Non-Residential Crime	329 710	326 984	-0.83%	600	585	-2.52%
SAPS Groups						
Aggravated Robbery	107 278	112 894	5.23%	195	202	3.44%
Contact Crime	1 126 712	1 142 656	1.42%	2 049	2 043	-0.32%
Contact Related Crime	251 578	249 608	-0.78%	458	446	-2.48%
Crime detected as a result of Police action	701 158	700 192	-0.14%	1 275	1 252	-1.84%
Other Serious Crime	999 396	958 150	-4.13%	1 818	1 713	-5.77%
Property Related Crime	1 106 975	1 087 048	-1.80%	2 013	1 943	-3.48%

The table shows the absolute value and crime rates per hundred thousand people in the years 2015 and 2016. The crime rates are split into the Lightstone and SAPS groups respectively. At a national level, there was a general decrease in the absolute number of crimes reported between 2016 from 2015. The exceptions are Aggravated Robbery and Contact Crime whose cases increased by five percent and one percent respectively. If population growth is taken into account and the same rates

are considered per 100 000 people, the only crime category whose rate increased is Aggravated Robbery, by three percent.

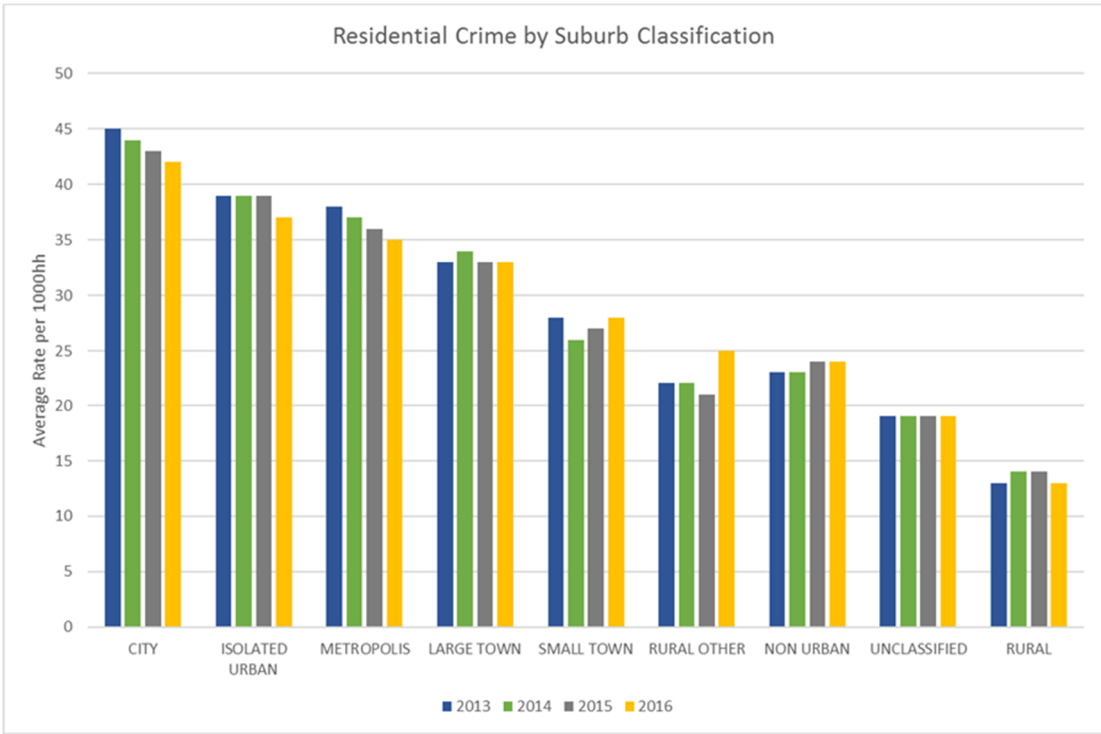
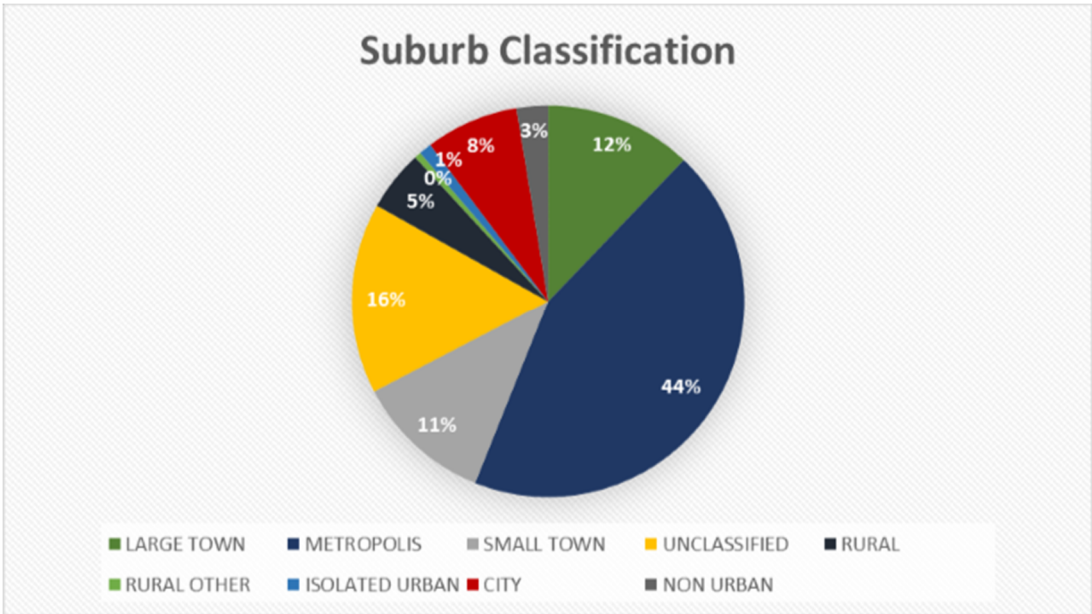
Provincial Crime Rates



In the above graph the crime rates were standardised per thousand households to highlight the effect of crime relative to the size of the population. The Western Cape has the highest average residential crime rate per thousand households. While the rate has slightly dropped in two years, the crime rate is still much higher than that of the next most crime ridden province, Northern Cape. Gauteng and Free State had similar rates per thousand households. Although Limpopo has the lowest provincial crime rate, its crime rate has progressively increased over the recent four years. This can also indicate that as access to police stations in developing rural areas increase, crime is reported more regularly.

Crime Rates Per Suburb Classification

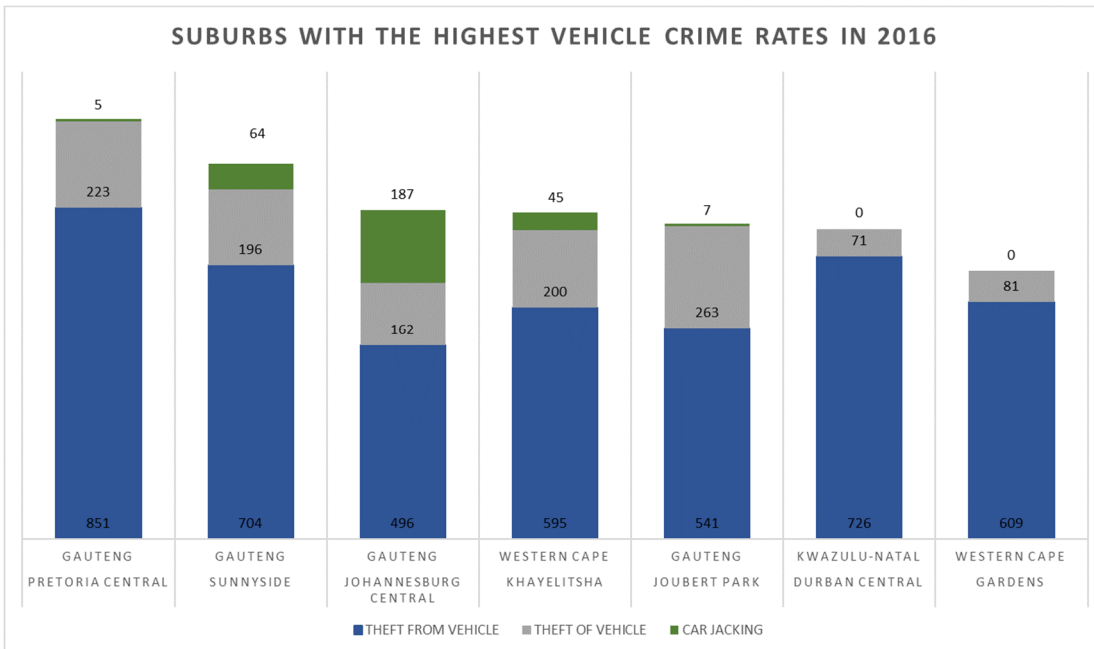
Drilling deeper into the crime rates per suburb we gain a better understanding of possible contributory factors to crime rates and the effect it might have on the economy. Most suburbs are inside a major *metropolis* which is characterised as the economic hub of a region and it is expected that people in these areas will generally have valuable assets and wealth that would be appeal to the criminally inclined.



Suburbs in the city have the highest residential crime rates, followed by those in isolated urban areas and in the wider metropolis. This is not surprising as the residents of these areas usually have higher population densities with economically active residents. Suburbs classified as rural have the lowest residential crime rates.

Vehicle Crime Hotspots

Private transport still plays a significant role in a large portion of the population’s ability to be economically active and reach the business hubs where they work, it is worth highlighting some areas with a significant number of vehicle related crimes.



Gauteng province features quite prominently in the list of vehicle crime hotspots with the three highest rates recorded in Gauteng. Pretoria Central had the highest recorded number of vehicle crime cases followed by Sunnyside which is close by. Johannesburg Central as well as Durban Central also features prominently on the list. In addition to high residential crime in surrounding areas, the high vehicle crime rates in the central business districts will have a compounding negative effect for the businesses and economically active population operating in these areas, which in turn can put the sustainability of economic activity in these areas at risk.

An exploration of the reported residential and vehicle crime statistics reveals that while overall reported crime rates have dropped, the rates are still alarmingly high. Provinces that feature the most are the Western Cape, Gauteng and Kwazulu-Natal. In these provinces, suburbs in the metropolis and city are affected the most. This is not surprising as these areas are generally occupied by the economically active. In the absence of decent public transport systems, the high residential crime rates in the metropolitan areas combined with high vehicle related crime rates in the major business districts might alienate some businesses and potentially pose a serious threat to sustainable economic activity in these areas.

