



Consumer Goods Council Crime Prevention Programme

Crime in the retail industry affects the whole country and the losses sustained by the companies (manufacturers, Distributors, Stores etc.) seriously affect their profitability. The Crime Prevention Programme (CPP) is a concerted effort by the industry to reduce crime. This will be achieved by sharing non-competitive information and jointly developing best practices to eradicate the incidents of crime in the supply chain.

Mission

To co-ordinate the individual anti-crime efforts of the Consumer Goods Industry, sharing non-competitive information, developing industry solutions to reduce crime for the benefit, not just of our industry, but South Africa as a whole.

Members

Seven major stores groups (Clicks, Massmart, Metcash, Pick 'n Pay, Shoprite Checkers, Spar and Woolworths) together with the major Manufacturers, Distributors and Service Providers have signed up to support the CPP driven initiative aimed at reducing Crime in our industry.

Funding

Running a full-time anti-crime programme necessitates financial support from the industry as the Consumer Goods Council of South Africa (CGCSA) is a Section 21 (non-profit) organisation. Annual membership fees, calculated according to a scale based on the industry type, are paid by members.

Benefits of membership

Members of CPP have the following benefits:

Central Incident Register

A central database is being populated with details of all reported criminal incidents that occur in the industry. Analysis of this information will then identify gaps in process controls which facilitate the execution of crime, or certain geographic points where crimes occur most often. Armed with these facts, the industry is able to develop effective counter-measures to combat and reduce crime.

Employers Reference Site

Lack of information, or intended omission thereof, can result in employment decisions that are based on half truths. After extensive research which included Senior Council's opinion, CPP has developed a central register of employment

records, in order for participating employers to access accurate work histories (within the retail industry only) of candidates. This system provides a verification of the work history provided by candidate employees. There is no discriminatory information kept on these employees, no matter what the reason for departure.

Illegal Trade Practices

This segment focuses on VAT and other forms of tax evasion. In conjunction with the South African Revenue of Services, CPP is developing a set of Best Practices for Manufacturers and Exporters to ensure that they are complying with the various Acts and Regulations that pertain to the process and tax rules for exporting goods. We also have an action against stores that are found to be selling stolen or counterfeit goods.

ID Cards

The CPP is heading up the ID Cards initiative which has been initiated from the 7 major store groups. The main purpose of the ID Card is to exercise better control over the access into stores especially via the back door. All non-store staff employees such as merchandisers, security, promotion companies and drivers need these cards to enter the back of the stores.

SMS Alert

CPP has developed a unique system that has the capacity of sending nationwide SMS messages to members. This user friendly system is called Amavuso, which means "warning". The main aim of this service is to alert all recipients of high level crimes occurring in their vicinity with the intent to protect recipients and create a safer place for all, and ultimately preventing these crimes from happening.

Best Practices

Collaboration from various companies in conjunction with the results of analysed data from CPP contributes to the development of Best Practises and Industry Standards for the industry. Crime Scene Management, Response to Armed Robberies, Personal Safety tips and Hi-jacking Awareness Guidelines includes some of the focus areas. CPP also published a White Paper on CCTV in 2006 and is currently busy with a Biometric Access Project, from which a White Paper will also be published. These publications are available to members at no-charge. The success of these initiatives rests in the sharing of non-competitive information by experts.

Act now

The participation of the entire industry is fundamental to the success of the Crime Prevention Programme. Contact the CPP office to enquire how you can become involved. Visit the website on www.cgccrime.co.za or phone 0861 101 726 or email sb@cgcsa.co.za.

PHYSICAL PROTECTION OF SHOPPING CENTRES

BACKGROUND

- The frequency of armed robberies directed against **convenience stores trading in regional / suburban centres** prompted the **Consumer Goods Council of South Africa (CGCSA) Crime Initiative** to conduct a probe of the security status at such centres and to recommend **target hardening** measures aimed at deflecting armed robberies in particular and violent crime in general.
- The recommendations recorded below are a result of surveys conducted at 50 shopping centres, consultation with various stake holders including SAPS and security practitioners, and research of CGCSA crime statistics and trends.
- The recommendations are published as best practice guidelines and are not prescriptive.
- The recommendations should be considered when new centres are being designed and for retroactive attention by centres with a history of armed robberies and / or violent crimes.

OBJECTIVES

- Deflect risk by presenting **hard target** image.
- Safeguard customers, staff and assets from risk of violent crime.
- Maintain customer confidence, increase customer footfall and trade.
- Promote mutual tenant support.
- Promote tenant and customer awareness.
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- Draw correct balance between customer convenience and criminal opportunity.

PERIMETER FENCING

- Palisade fencing around the entire centre.
- Minimum height of two metres.
- Clear of vegetation on both sides.
- No pedestrian gates or where pedestrian gates are necessary, they must be locked during the early evening.
- Illuminated by outward facing lighting.
- Specifications: Light fittings to be mercury vapour 125 watt type, which have an 87% reflective output using a 5000 hr bulb, resulting in low usage high power lighting.

VEHICLE ACCESS AND EGRESS CONTROL

- Ticket operated booms manned or unmanned, preferably linked to automated road teeth barriers.
- Speed humps on both sides of boom.

CAR PARK LIGHTING

- Lighting to provide adequate visibility to entire parking area.
- Lights to not shine towards CCTV Cameras, as they overexpose the picture
- Specifications: Light fittings to be mercury vapour 125 watt type, which have an 87% reflective output using a 5000 hr bulb, resulting in a low usage high power lighting.

CLOSED CIRCUIT TELEVISION (CCTV)

- Select a reputable company with sound references.
- Digital technology preferable.
- Ensure *remote off site* recording or secure *on site* control room.
- Install *public view monitors* at all mall entrances.
- Ensure adequate coverage of all public areas, particularly high risk isolated areas such as approaches to toilets.
- Ensure adequate coverage of back area service lanes and other high risk areas.
- Ensure adequate coverage of isolated areas of car park.
- Advertise CCTV protection by suitable signage prominently displayed in centre including car parks.

CENTRE SECURITY OFFICERS

- Select a reputable company with sound references.
- Do not deploy armed guards.
- Ensure both the company and its personnel are Private Security Industry Regulating Authority (PSIRA) registered.
- Give preference to Security Association of South Africa (SASA) and CGCSA registered security companies.
- Ensure all staff have been reference checked by the CGC Employers' Reference Site
- Ensure 24/7 security presence and sufficient manpower to cover high risk times.
- Install an electronic guard patrol monitoring system.

CUSTOMER REPORTING FACILITIES

- Ensure site has written **Standing Operational Procedures** including a job description for each post.
 - Ensure personnel are dressed in uniform, including rain and warm clothing where necessary and are equipped with a baton, handcuffs, torch (night shift) and note book / pen.
 - If no *on site* control room is available, security personnel must have direct contact with an external control room.
 - Security personnel must be issued with two-way radios for *on site* communication.
 - Security personnel must be issued with portable panic alarms linked to armed response.
 - Panic alarms, two-way radios and torches must be tested / inspected weekly.
 - Minimum of one *site visit* per shift by supervisor.
 - *Site occurrence book* must be maintained.
- Display signage encouraging customers to report all incidents to security personnel.
 - Security personnel must report all serious incidents to the control room immediately.
 - Security personnel must record all incidents in the site occurrence book.

EMERGENCY PLANNING

- Plans aimed at tenants assisting each other in emergencies must be formulated through tenants meetings.
- Telephone numbers of neighbouring stores, security control room, SAPS, Medical and Fire Services must be displayed in tenants' office areas preferably at the switchboard.
- Plans must be coordinated by centre management.
- Plans must be perused regularly and updated / amended where necessary.

OBSERVATION TOWERS

- Have limited but positive contribution towards **target hardening** image.
- Must be able to see out but not in.
- Must be positioned for maximum viewing of car park.

THESE GUIDE LINES ARE PUBLISHED BY THE CRIME PREVENTION PROGRAMME OF THE CONSUMER GOODS COUNCIL OF SOUTH AFRICA, IN THE INTEREST OF PUBLIC SAFETY.

CAR GUARDS

- Do not use informal car guards.
- Use only a PSIRA registered Car Guard Company.
- Select a reputable car guard company with sound references.
- Give preference to car guard companies registered with CGCSA.
- Ensure all staff have been reference checked by the CGC Employers' Reference Site
- Ensure car guards wear an identifiable uniform.
- Ensure site has written **Standing Operational Procedures** and guards have clear job descriptions.

CASH-IN-TRANSIT

- Movement of cash through centre public areas during peak trading hours must be avoided.
- Movement of cash across tenants' sales floor during trade must be avoided.
- Where possible movement of cash must be restricted to centre service areas isolated from public areas.



Best Practise: Cash Protection Techniques

It is a fact that the majority of armed robberies in store take place with information provided by an employee or contractor working within that store. Very few organised armed robbers will risk their lives or face the risk of being apprehended if they are not well informed and know exactly when the cash is available, and where it is. Bearing the above in mind and by following the techniques set out below in store armed robberies will be drastically reduced.

The Alarm System

- Ensure that you have a good alarm system that is well maintained.
- Ensure that the alarm is connected to an armed response company.
- Ensure that you alarm communicates via a telephone line as well as a radio.
- Ensure that you have static panic buttons placed in strategic areas of your store eg. Cash Office, Strong room etc.
- Ensure that you have a sufficient number of portable panic buttons, that are worn by all management at all times.
- Ensure that the alarm system is walk tested on a weekly basis (Inform the alarm company thereof beforehand, set the alarm and walk the store)
The alarm company must then immediately inform you as to which circuits were activated.
- Ensure that the panic buttons are tested on a weekly basis. (Inform the alarm company thereof beforehand)
Activate each panic button separately so that feedback can be obtained as to how many panic buttons were tested. Make sure that portable panic buttons work on the outside of the store.
- Ensure that you know your panic code on your keypad, if you are forced to deactivate your alarm.

Opening and Closing Procedure

- Never open or close your store at exactly the same time everyday.
- Try not to follow the same route to your store everyday.
- Never open the store on your own.
- Ensure that someone armed with a panic button monitors the opening and closing procedure away from the store.
- Ensure that you have adequate lighting at your entry point.

Safes

- Ensure that you have an adequately fortified drop safe.

- Ensure that the keys to the drop safe are not kept together or on the premises at the same time except when cash collections are taking place

Cash Collection

- Ensure that cash is continuously picked up at the tills throughout the day.
- Pick up the large notes first, and not more than three tills at a time.
- The cash office must continuously count and drop the cash into the drop safe.
- Cash ups must be staggered, and not done in one go. (The objective is to spread the cash between the tills, drop safe and cash office)
- Never do a full cash up at the end of the trading day. Cash should be sealed in cash bags and dropped into the drop safe. Once the drop safe is opened the following day these bags can be removed, the contents counted and balanced, and then dropped into the drop safe for collection the following day.
- If this system is properly applied there should be very little cash being dropped without first being counted.

In Conclusion

The entire objective of the above is to confuse informants and cast doubt among prospective armed robbers.

Ensuring that opening and closing procedures as set out are followed, together with the fact that alarms etc. are tested will send out a message for all to see that your store is alert.

This will in most instances protect your cash in store but more importantly save lives.



ROGUE TRADERS PRACTICE NOTE

This document does not form part of, but is to be read in conjunction with the **Memorandum of Understanding for members of the Consumer Goods Council of South Africa, consolidating the Industry's approach to Rogue Trading and Rogue Traders**, and forms an integral part of the agreement. This section sets out the terms and conditions of the Industry's initiative to combat Rogue Trading, which activities are in contravention of the Law. In the event of a conflict between this practice note and the Memorandum of Understanding, the terms of the memorandum of understanding shall prevail.

The Industry will act as the eyes and ears. Upon receipt of a report of 'suspicious trading activity' the CGC Central Office will respond as follows, depending on the category of the alleged offender. Please note that reporting such "suspicious trading activity" does not in any way obviate or alleviate the company from its obligations in terms of the Finance Intelligence Centre Act.

1. CONFIDENTIALITY

A policy of strict confidentiality and especially the Confidentiality Statement signed by all CGCSA Staff will apply to the information relevant to this Initiative.

2. FRANCHISEE

2.1. The CGC Central Office will peruse the report and discuss its merits with the accuser, in an effort to eliminate, at this early stage, any malicious reporting (competitive jealousy). The next step is to notify the relevant party at the Franchisor (typically the representatives of the Rogue Trader Steering Committee).

2.2. The facts of the accusation will be presented and discussed - the identity of

the accuser may or may not be disclosed, depending on the circumstances of the particular case. (The CGC Central Office having discretion at all times).

- 2.3. The Franchisor and the CGC Central Office will then agree a plan of action. Further investigation may be required, and this will be instigated by the Franchisor. The accuser may be invited to provide more details.
- 2.4. With the agreement of the Franchisor, the relevant authorities (SAPS;SARS;AFU; etc) will be informed.
- 2.5. The Franchisor and the CGC Central Office will, after the appropriate investigations have taken place and they have satisfied themselves as to the veracity of the allegations and that this constitutes Rogue Trading, agree to declare the Franchisee a Rogue Trader.
- 2.6. The Franchisor will then deal with the Franchisee in terms of their Agreement – with the aim of expelling, either the individual (and his connections) or the store – taking into account any guidance from the SAPS or SARS. However, the intention is not to place the Franchisor in a position where the Franchisor, in fulfilling these obligations places itself in breach of the terms and conditions of said Agreement. The right to appeal this declaration should be stipulated in these agreements.
- 2.7. The CGC Central Office will inform the other Franchise-granting organisations, via their CEO and the Rogue Trading Steering Committee representative, of the Rogue Trader. Please note that this notice will not contain any information on



what the Franchisee is accused of, or any other potentially defamatory details. The notice will merely inform of what actions the Franchisor is taking against whom. A similar notice will be sent to participating Manufacturers and Suppliers.

2.8. This will be sufficient to enable other Franchisors to implement an embargo.

Please note that the Director and the CGC Central Office will not take any action without the agreement/approval of the Franchisor.

3. BUYING CLUB MEMBERS

The Process as set out for Franchisees will apply, mutatis mutandis, for buying club members, in so far as the actions taken are both reasonable and practical.

4. INDEPENDENT TRADERS

4.1. The CGC Central Office will deal with reports of Rogue Trading by Independent Traders in much the same fashion as Franchisees, in that the Suspicious Trade Activity Report will be perused and steps taken to verify the accusation.

4.2. These steps may include consultation with other Traders, but will include the Suppliers of the goods mentioned. With the agreement of the Suppliers, the appropriate legal (SAPS, SARS) steps will be initiated and the trader declared Rogue.

4.3. A similar notice will be circulated – however, as there is no franchise withdrawal (or similar) event taking place, the notice may only be distributed once any legal action against the Rogue Trader is placed in the Public Domain, typically when a case is placed on the

court roll. Once again, the notice must in no way be defamatory.

4.4. The Rogue Trader will be informed of his declaration as a Rogue Trader, by the CGC Central Office. This notice will also inform him of his right to appeal, and how to go about it.

Please note: Extreme care will be taken to ensure that these actions are well grounded and not based on competitive malice..

5. PRESERVATION OF LOCATION

It is the stated aim of this Initiative to remove Rogue individuals from our Industry. This act should not prejudice the very organisations that are participating in the Initiative.

5.1. To this end it is stipulated that clause 3.1.2 of the Memorandum is understood to mean that the Franchisor (or Buying Group administrator) shall have the right to continue trading at the location where a Rogue Trader has been identified and his Franchise cancelled. This pays particular attention to the fact that often the Franchisor shall hold the lease rights (and obligations), and will be compelled to continue trading at the location/site of the Rogue Trader's store.

6. MANUFACTURERS

(Including Importers, Distributors, Suppliers)

6.1. The CGC Central Office will receive reports of substandard goods (as contemplated in clause 4 of the Memorandum). Steps will be taken to verify the suspicion. These steps could include:

- Purchasing samples at a range of stores



- Tests being conducted on these samples by recognized (SANAS accredited) laboratories.
- The Brand Holder (if appropriate/applicable) being consulted.

6.2. Once the CGC Central Office is satisfied with the veracity of the accusation, the appropriate authorities will be advised.

6.3. Depending on the guidance of the Police or Customs, etc, the Manufacturer will be approached and informed of the accusation against him (in cases of substandard products). The Manufacturer will be given a period to comply, as stipulated in the Memorandum.

6.4. Failure to comply will result in a notice to participating stores of the nature of the Rogue Manufacturing and the details of the suppliers. This notice will be sent to the Rogue Manufacturer as well.

Where criminal procedures are appropriate, the notice will be issued (as in paragraph 4) once the actions become Public Record.

7. EMBARGO PERIOD

The Ombudsman shall review each case, and ensure that the embargo period as prescribed by the MOU and applied to the Rogue Trader or Manufacturer is reasonable in commercial terms, as contemplated by the Competition Commission.

8. NOTIFICATION

The Rogue Trader or Manufacturer will be informed of the result of any appeals in terms of this process.

9. FICA

Please note that the reporting of suspicious activities to the CGC Central Office does not

alleviate the obligations to report under FICA. These obligations are by implication passed on to the CGC Central Office, who will agree the process with the relevant Signatory.

WHAT COULD THE RETAIL SECTOR CONSIDER DOING?

Although retailers and merchandisers might not have a direct impact on the socio-economic and political factors that are being referred to as the predisposing factors responsible for the root causes of crime, it remains critically important that all role players fully understand the interaction of the factors that might have an influence on crime committed in their environment.

If one accepts the fact that a big percentage of South Africans are exposed to predisposing factors, to such an extent that they rightfully could be regarded as potential criminals, awaiting an opportunity to commit crime, then this is the area where you, as decision maker i.e. Owner/Manager, should play a pivotal role.

During an exploratory visit to one of the stores, guided by a former colleague of mine, the following observations were made which could serve as some food for thought but not necessarily be regarded as a comprehensive crime prevention manual.

Starting with the parking lot where your customers leave their expensive transport

- The practice of car guards is recommended, but
- Have they been vetted?
- Who are they? Where do they come from? Who do they hang around with in their leisure time?
- How sure are you that they are not employed by criminal syndicates?
- Are they the ones that supply information to criminals that will empower them to commit the perfect crime?
- Have you ever considered enclosing the parking area and installing a “Boom Gate”? It has been said that this method has proven effective but it has the potential of being an irritation to your customers – you will have to weigh up the pro’s and con’s yourself.

Secondly, trolley collectors also pose a potential risk if not vetted thoroughly because as is the case with the car guards, they could be providing sensitive information regarding the functioning of your business to syndicate members. It was



proved in the Second World War that “Loose lips sink ships” and would you like your ship to sink?

How welcome do criminals feel when entering your store? Are they informed that they are being monitored by CCTV? How visible are you monitors, if you have any? Otherwise it would be wise to consider installing them. I have noted in some stores that the CCTV screen picks me up while browsing around and it doesn't make me feel comfortable, and I am an innocent customer, considering buying! Installing a CCTV is advisable to monitor the frontline but how is cash being managed in this area? Are you making use of drop safes? Have they been installed by a reputable dealer? Have the safes been fortified? How is access to the keys managed? How are your large sums of cash collected? When and how often? Does it form a pattern?

Who is responsible for the largest percentage of your “shrinkages” and where does this occur? I was led to believe that staff poses the biggest threat in this regard. They all have family members as customers to your store, for whom preferential treatment could be given when passing products through the “frontline” and let's be honest, who does not like organising a bargain from which you can also benefit?

Merchandisers are not always as honest as we would like them to be and they have easy access to all areas of your store, including the more restricted areas like the warehouses, high risk store rooms where your “hot products” are stored and received.

Do you have a “receiving manager” and if so who have you appointed? Could he be a wolf in sheep's clothing? What is the level of his lifestyle? (Does he live within his means?) What car does he drive? How does he dress in his leisure time? How often do his family sell razor blades or expensive face creams at bargain prices at the local flea market?

Are you aware of what is going on in your warehouse? Are they covered by CCTV? Are “hot product” store rooms secured? A secure area is just as safe as the person you entrust with the key! Who is he and who does he share the key with? This may sound like very basic issues and does not concern you. In the store I visited three of the five gate securing the “hot products” store rooms were unlocked even though they appeared locked (the padlocks were so that they would appear locked).

In general;

- What is the standard of your security?
- Is it on par with other retail outlets, suppliers and manufacturers?
- Are you involved in any form of partnership to prevent crime?
- Are you a member of the Business Against Crime (BAC) initiative?

Or are you flying solo, blaming the Police for being ineffective when your “shrinkage” gets out of control?

CONCLUSION

Contrary to general opinion, the prevention of crime is a collective responsibility of the State, the business sector and the community. The police are, therefore, only one of the role players and it would be short-sighted to ascribe the escalation of crime merely to poor policing. How many more special units have to be established and how many more hours overtime do the already over-worked police members have to put it? If these units and overtime had been focussed on the causes of crime, it could have been acceptable to increase them, but it's clear that “the patients cure will not be achieved by putting more ointment on the sores – only by curing the blood disease from within will cure the patient”. This is why the time has come for everybody to take responsibility so that the causes of crime may also be addressed.

There is no room for suspicion, jealousy and bureaucratic pettiness. What South Africa needs now, to save it from total anarchy and collapse, is an integrated approach to crime prevention with purposeful leadership to guide it through the difficult implementation phase. This can be achieved if a coordinated effort, as is pleaded above in the paragraph on “an alternative approach”, is launched under the guidance of the President's Office.

STORE READINESS CHECKLIST

No		YES	NO
	General		
1.	Do you have a dedicated emergency notice board?		
2.	Are appropriate contact names and numbers displayed on the board?		
	Fire		
3.	Have you appointed and trained: <ul style="list-style-type: none"> • fire wardens • evacuation wardens • first aiders 		
4.	Have specific emergency duties been allocated to security.		
5.	Do staff know where the assembly point is		
6.	Has an alternative assembly point been selected		
7.	Has an official been appointed to supervise staff at the assembly point		
8.	Do staff know the emergency escape routes?		
9.	Is immediate and unimpeded escape through all emergency escape doors possible?		
10.	Do staff know how to open emergency escape doors?		
11.	Are emergency doors and routes sign posted?		
12.	Have you opened all emergency escapes doors within the past month?		
13.	Are you sure that the keys in the key boxes fit all padlocks securing emergency escape doors.		
14.	Where more than one key is in a box are they colour coded to the correct lock		
15.	Do all staff know what to do if fire alarm is activated?		
16.	Can alarms be heard in all areas?		
17.	Has the alarm been tested within the past month?		
18.	Has a full house evacuation drill been conducted within past three months?		
19.	Have you walked all escape routes from start to point to “assembly point” within past two months?		
20.	Are all emergency escape routes clean and clear?		
21.	Have you tested/walked centre controlled emergency escape doors and routes within past month?		
22.	Are torches available at strategic points?		
23.	Have torches been tested within past two weeks.		
24.	Is the emergency generator test run weekly.(if applicable)		
25.	Is the sprinkler system pressure tested weekly.(if applicable)		
26.	Are fire extinguishers inspected monthly?		
	Armed Robbery		
27.	Do you have a Crime Scene Management kit available and complete?		
28.	Are all staff trained in what to do in an armed robbery?		
29.	Is security/management present during opening and closing, and are they in possession of portable (panic button)alarms		

30.	Are the CCTV and in store detectives on high alert.		
31.	Is a telephone installed in the strong room?		
32.	Is a torch held in the strong room?		
33.	Is an emergency contact telephone list available in the strong room?		
34.	Is a six pack of cola available in strong room?		
35.	Is a blanket available in the strong room?		
36.	Do all staff know how to escape from a cold room/freezer?		
37.	Are panic alarms tested weekly?		
38.	Are the premises well protected at all times – Day/night, week/weekend?		
39.	Are access controls measures in place, particularly early morning/late evenings and weekends		
40.	Are the Burglar and Panic alarm systems fully tested and 100% operative		
41.	Are arrangements made with SAPS to increase visibility?		
	Cash Handling		
42.	Is a cash-in-transit collection action plan in place, including extra security.		
43.	Do all staff know what to do when C-I-T is in process?		
44.	Have you arranged regular cash pick ups		
45.	Have you reviewed your internal cash management (till collections) procedures		
46.	If needed to fill the ATM's during trading hours, are the correct precautions taken.		
	Extra Stock Controls		
47.	Have you ensured that detailed checking and end control is at its maximum capacity		
48.	Have you ensured that shrinkage items are controlled and counted throughout this period?		
49.	Have you ensured that stock is stored in the correct location?		
50.	Have you made special arrangements for hazardous and high risk stock?		
51.	Are you satisfied with the number of YES answers given in response to this questionnaire?		



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