


Annual Report 2018-2019

nicro 
FOR A SAFE SOUTH AFRICA



NICRO makes South Africa safer by breaking the cycle of crime through interventions that facilitate the changing of offending behaviour.

vision

To build and strengthen a democratic society, based on human rights principles through crime prevention and development.

mission

NICRO, as a national non-profit organisation, regards crime as a threat to democracy and individual rights. Through people-centred development and services to victims, offenders and communities, NICRO strengthens a human rights culture and builds a safer South Africa.

To this end NICRO engages in lobbying and advocacy, capacity building, direct service delivery and research. NICRO adheres to the principles of good governance and sound environmental practices.

board members



The Honourable
Judge Nathan Erasmus

Chairperson



Ms Ellada
Yerolemou

Vice Chairperson



Ms Fanisa Lydia
Lamola

Member Finance



Ms Lee
Coetzer

Director



Ms Lois Elizabeth
Hardy

Director



Mr Max
Moyo

Director



Ms Soraya
Solomon

Executive Director



Message from the Chair

NICRO Concludes Financial Year with a Surplus but Challenges Remain.

This annual report showcases and celebrates NICRO's accomplishments this past year. Despite the myriad of challenges facing the non-profit sector in establishing and maintaining sustainability and the financial difficulties experienced within the organisation itself in recent times, NICRO ended this year on a high note. We are pleased to report that the organisation concluded the financial year with a surplus, a first since 2009, with the exception of 2013, when a sizable but final grant from the UK Department for International Development (DFID) boosted the coffers substantially.

Although NICRO is undoubtedly moving in the right direction, we can, however, not afford to rest on our laurels. Challenges nevertheless abound. Roughly 60% of NICRO's revenue is received from the government in the form of Department of Social Development (DSD) subsidies. Alternative sources of funding make up the remaining 40%, some R17.3 million, based on this year's financial results. This poses a certain

What counts in life is not the mere fact that we have lived. It is what difference we have made to the lives of others that will determine the significance of the life we lead.

~Nelson Mandela

amount of risk as this funding, while of critical importance, is not necessarily guaranteed. Some of this risk has been mitigated by the expansion of the Clinical Unit, with country-wide clinical fees amounting to approximately R5.3 million in 2018/2019, prior to provisions for potential bad debts. While this unit has increased its contribution to overall revenue, expenses to run it remain high and will be addressed going forward. Despite growth in this area, the risk of a potential funding shortfall remains.

NICRO Remains a Beacon of Hope

Despite escalating crime and violence, which undermines the rights of citizens and our sense of personal security, NICRO continues to serve as a steadfast beacon of hope to those in conflict with the law and to South African communities as we fulfil a critical role in our relentless pursuit of a safe, crime-free society. NICRO's message remains clear: with the necessary resources and a concerted, united effort, crime can be prevented and overcome.

60%

of NICRO's revenue is received from the government in the form of Department of Social Development (DSD) subsidies.

NICRO's increasing focus on crime prevention strategies is a very positive encouragement that the road ahead, perhaps uneven from time to time, can indeed be traversed successfully and that our final destination is one filled with hope, safety and security for all South Africans.

It is a great privilege to be at the helm of an organisation which boasts such shining examples of ground-breaking, pioneering contributions to the criminal justice sector. NICRO's programmes are consistently recognised and lauded as having highly significant, beneficial impact on individuals, families, communities and society as a whole. The organisation continues to receive recognition for its work, especially in the field of diversion and non-custodial sentencing.

I am particularly proud of my association with an organisation that is deeply committed to embedding restorative justice in South Africa and to entrenching non-custodial sentences for appropriate crimes and individuals. International studies show, quite conclusively, that most offenders benefit from restorative justice processes and that these practices do

result in a statistically significant reduction in the frequency of reconviction. Restorative justice processes do, undoubtedly, prevent crime.

Highlights of Year under Review

One of the highlights of the year was the significant expansion of the Road Offences Panel Programme (ROPP), primarily as a result of substantial funding from the Association for Alcohol Responsibility and Education (aware.org), the alcohol industry's response to concerns regarding alcohol misuse and abuse. Originally piloted in 2010 to address the challenge of growing numbers of offenders arrested for driving under the influence of alcohol (DUI), speeding and reckless driving, this intervention has gone from strength to strength. Not only is ROPP reaching very nearly double the number of beneficiaries in comparison to last year; it is having a noteworthy, positive influence on reducing drunk driving and keeping South Africans safe on the road. Additionally, ROPP has the added benefit of impacting positively on the domestic and business lives of its beneficiaries.

The work of the Clinical Unit continues to go from strength to strength. The growth of this

Alternative sources of funding make up the remaining,

40%

some R17.3 million

unit as a net contributor to the sustainability of the organisation, on a profitable basis, remains important to reducing NICRO's dependence on third party funding, over and above that which is secured from DSD.

The overview of services bears further testimony to the remarkable work of an organisation that continues to make a significant difference in the lives of its beneficiaries, and which achieved its service delivery targets despite serious resource challenges.

Looking Forward

The year ahead will see renewed efforts focussed on achieving greater sustainability. These will include:

- The rightsizing of the organisation and concomitant cutting of costs.
- Efforts to secure significant, multi-year funding, rather than one-off grants, to address some of the risk of potential funding shortfalls.
- Ensuring that the Clinical Unit becomes more profitable whilst containing expenditure.
- The sale of NICRO properties which, once satisfactorily concluded, will allow the

organisation to purchase more affordable premises in critical locations around the country. In so doing, NICRO will effect significant savings on current rental expenses and reduce the running costs of certain premises which are proving to be debilitating.

In Conclusion

In closing, I pay tribute to NICRO's Board of Directors for their ongoing support and guidance. To our management team, my heartfelt appreciation for your dedication and hard work, often in the face of adversity. A special vote of thanks and deep appreciation to NICRO's staff and volunteers who, despite the many challenges, continue to serve our beneficiaries with unwavering passion and commitment. We also acknowledge, with gratitude, the Department of Social Development and aware.org, without whose financial support NICRO would not have achieved its objectives this last year. To all our donors and supporters, we salute and thank you!

THE HONOURABLE JUDGE
NATHAN ERASMUS

Chairman



2020

Overview of Services

During the 2018/19 financial year, NICRO touched the lives of 15,860 beneficiaries through individual and group-based services whilst over 155,000 beneficiaries benefitted from community work.

NICRO successfully diverted 12,325 adults and 2,115 children who had committed crime and found themselves in conflict with the law. These beneficiaries successfully avoided receiving a criminal record and being incarcerated. Participation in a NICRO Diversion programme reduces risk factors associated with criminal and delinquent behaviour, promotes favourable attitudes and develops critical skills that equip offenders to steer clear of further involvement in crime successfully.

Adult diversion continues to be NICRO's largest service on offer. This is as a result of NICRO's remarkable track record and evidence-based practice, as well as our extensive lobbying efforts for the diversion of adults who have committed non-violent, less serious, petty crimes.

NICRO experienced a slight increase in child diversion services in Gauteng, Kwa-Zulu Natal, Limpopo and Mpumalanga during the twelve months under review. In the Eastern Cape and Western Cape, the Department of Social Development renders all child diversion services.

During the period under review, NICRO also rendered offender reintegration services to 1,082 offenders of whom 370 were adults afforded non-custodial sentences while 712 were released from prison.

Offender reintegration is the primary reason for NICRO's existence and remains a crucial component of the organisation's work. We are currently looking at innovative ways of working with offenders and former offenders through various best practice models, all with a focus on violence prevention and using theatre and art as rehabilitation tools.

Through our Non-Custodial Sentencing (NCS) services, the root causes of criminal behaviour can be far more effectively addressed and offenders are afforded real opportunities to turn their lives around. When a non-custodial sentence includes the mandatory attendance of therapeutic programmes, the offender's behaviour can be changed in a meaningful and sustainable way. By making therapeutic services available at magistrates' courts, NICRO supports the courts to sentence suitable offenders to NCS, where the sentences are carried out in the community rather than in prison.

NICRO's clinical work, which renders in-depth specialist clinical services to a specific market within the criminal justice system, showed good progress. We reached 2,012 beneficiaries during this financial year, fulfilling a great need to the benefit of both the criminal justice sector as well as its primary beneficiaries: victims and perpetrators. In this work, NICRO upholds the principles of therapeutic jurisprudence, which concentrates on the legal system's impact on emotional life and psychological well-being. NICRO envisages criminal justice, which is practiced with an ethic of care and heightened interpersonal skills, where the psychological well-being of the accused, as well as their legal rights and interests, are afforded the required attention. Within this framework, one seeks to prevent legal problems through creative drafting and problem-solving approaches. This perspective



recognises that the criminal justice system can itself produce anti-therapeutic consequences, though it does not suggest that therapeutic concerns are more important than other consequences or factors. The Clinical Unit generated a significant income over the last financial year, which demonstrates that the social business model can work in our sector.

Lobbying and advocacy is a key focus of NICRO's initiatives. The main goal of the lobbying and advocacy function is to work towards reform within the criminal justice system by bringing issues to the forefront of the agenda of persons whose decisions influence and affect those in conflict with the law, their families, victims and communities. Another key goal is promoting a restorative justice approach to crime prevention. Advocacy areas in which NICRO is involved include prison conditions, restorative justice policy, gender-based violence and discrimination against former offenders.

The Second Chance Theatre Company was established in 2017 as a collaborative arts and social justice initiative introduced by NICRO together with the University of Cape Town's Centre for Theatre, Dance and Performance Studies (CTDPS) and the Western Cape Government's Department of Correctional Services. The project uses theatre as a healing and empowerment tool as a means to facilitate successful reintegration. The idea is to support inmates and parolees through the crucial stages of their reintegration during

the last year of their imprisonment and first year of freedom in order to prevent re-offending. The programme includes the provision of important life skills and motivation to become responsible citizens, role models and mentors in their communities.

Although the primary intention is to rehabilitate, the work is also artistically orientated towards the production of a play and live performances, which took place at the Cape Town International Convention Centre (CTICC). During the year under review inmates performed in the ground-breaking theatre production, *Mission I'm Possible*. Audiences were afforded a rare glimpse into prison life, normally hidden from society's eye. The theatre production focused on the impact and consequences of incarceration whilst revealing the hidden artistic, musical and poetic talent found in the prisons of the Western Cape. In addition to sharing the dreams and fears of inmates, this performance also challenged public's perception of offenders.

NICO's services are rendered from 16 offices and 47 service points located in communities and/or at courts in all provinces, with the exception of the North West.

BETZI PIERCE

Operations Director



155,000

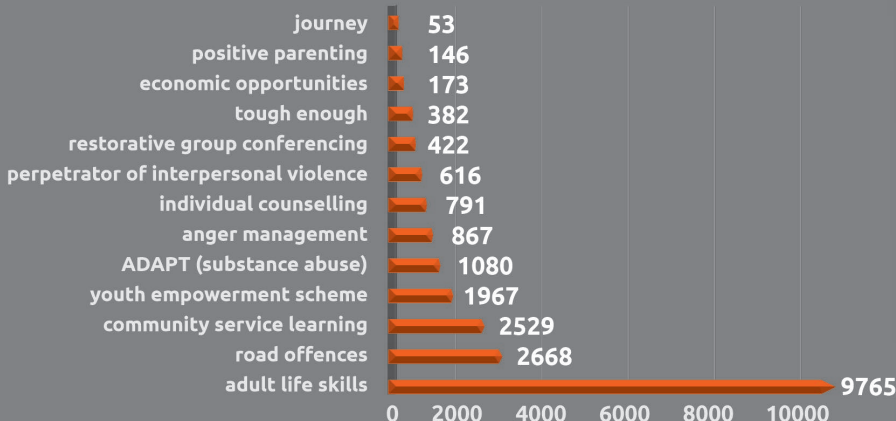
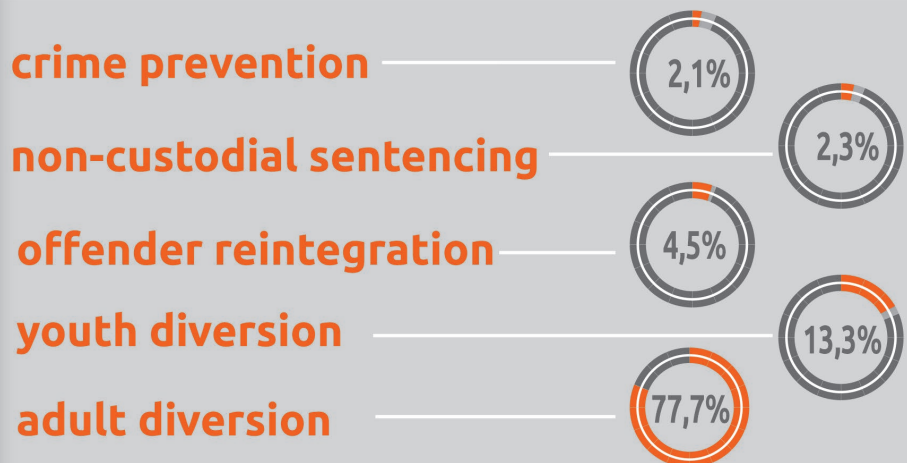
**beneficiaries benefitted
from community work**

National Statistics

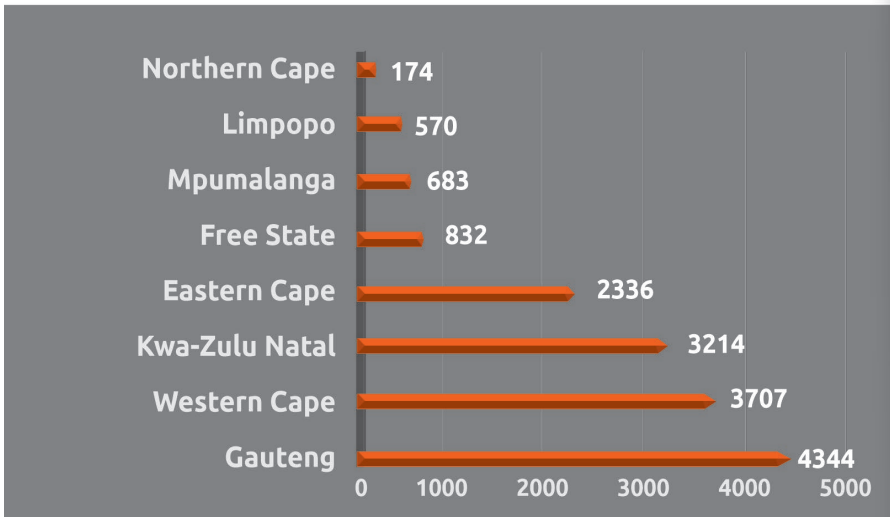
Services by Province: An Overview

- All provinces rendered adult diversion services
- All provinces rendered youth diversion services, with the exception of the Western Cape
- Non-custodial sentencing and offender reintegration services were offered in the Eastern Cape, Gauteng, KwaZulu-Natal and Limpopo
- Four provinces (Eastern Cape, Gauteng, KwaZulu-Natal and Limpopo) rendered all service streams (adult and youth diversion, non-custodial sentencing and offender reintegration)

NATIONAL SERVICE DISTRIBUTION

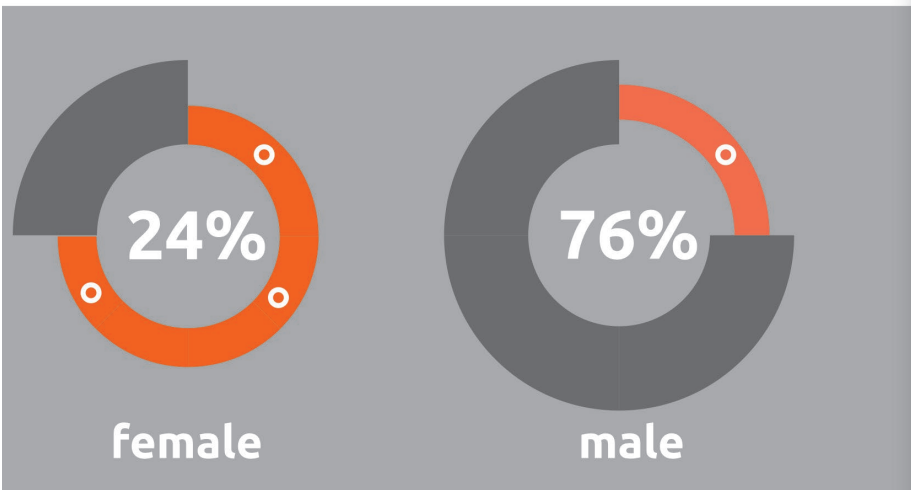
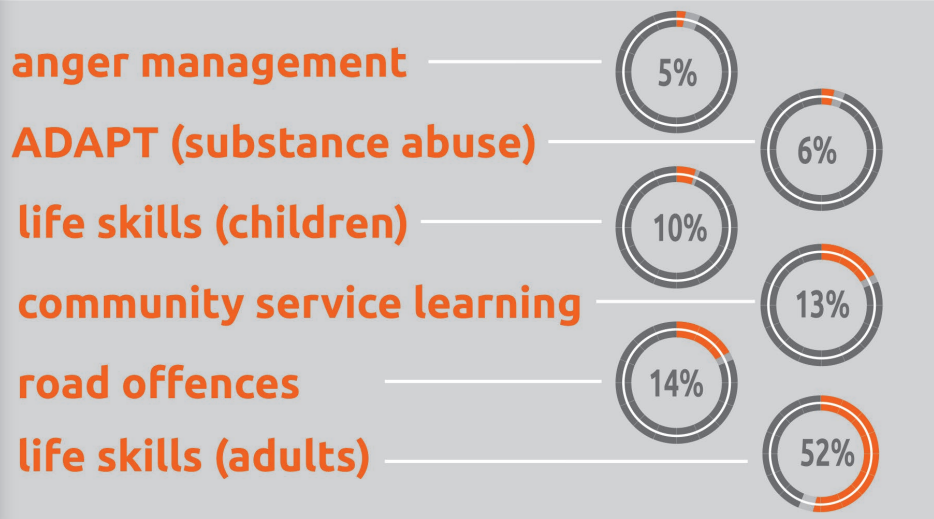


NUMBER OF BENEFICIARIES BY INTERVENTION



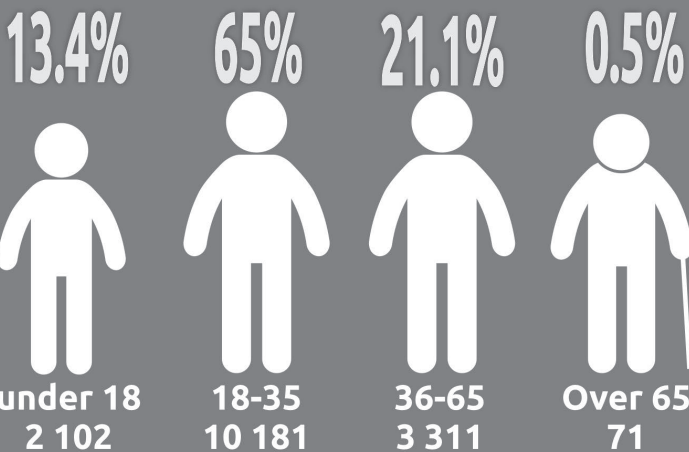
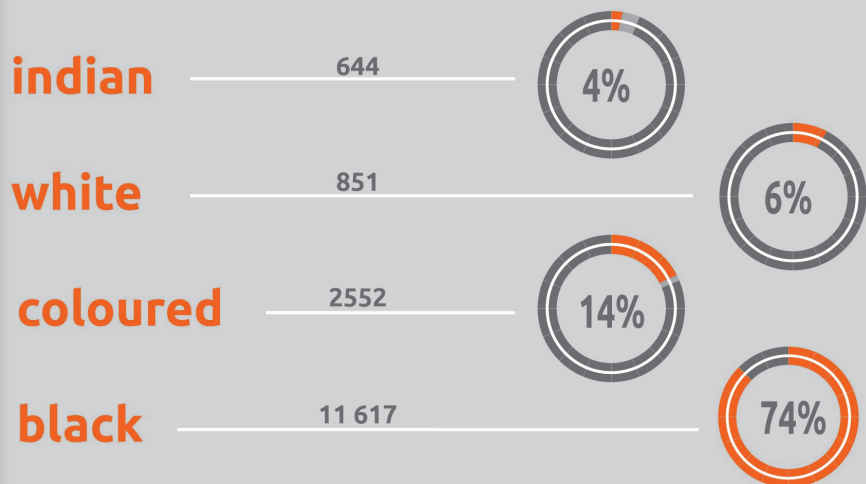
BENEFICIARIES BY PROVINCE

MOST FREQUENTLY UTILISED PROGRAMMES



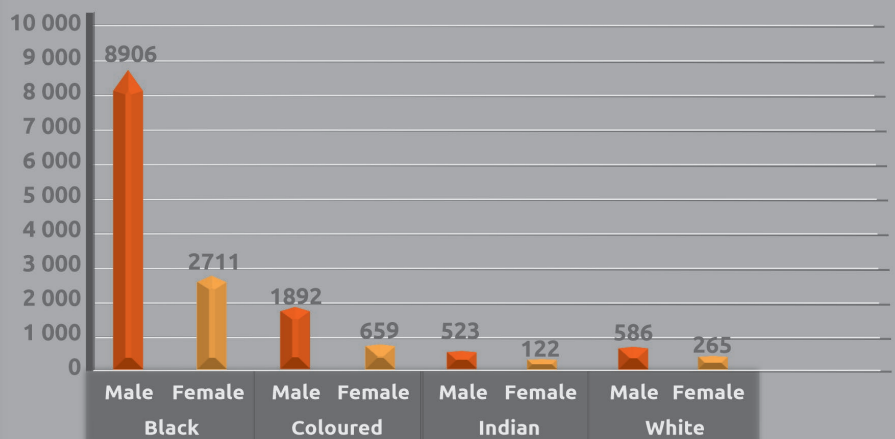
CLIENT DEMOGRAPHICS GENDER PROFILE

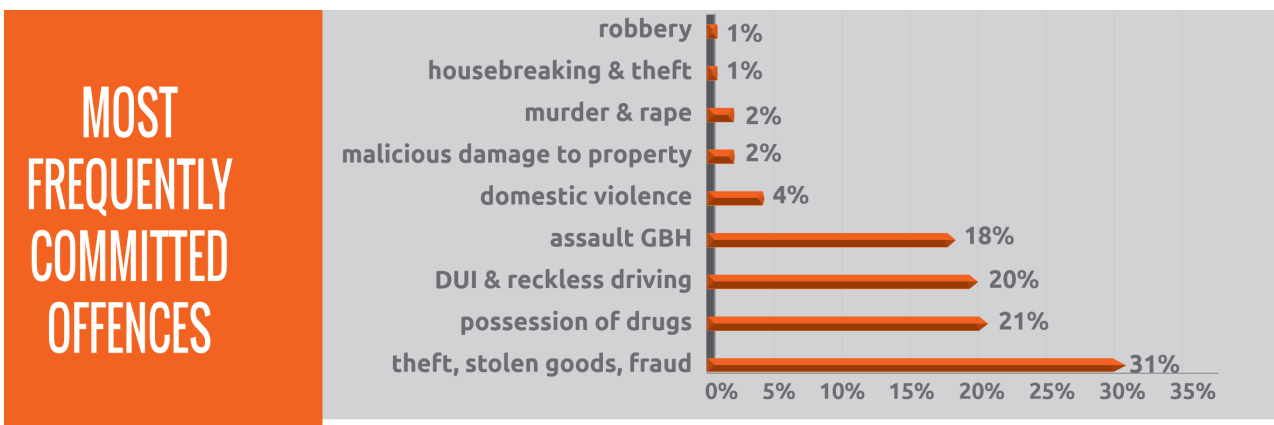
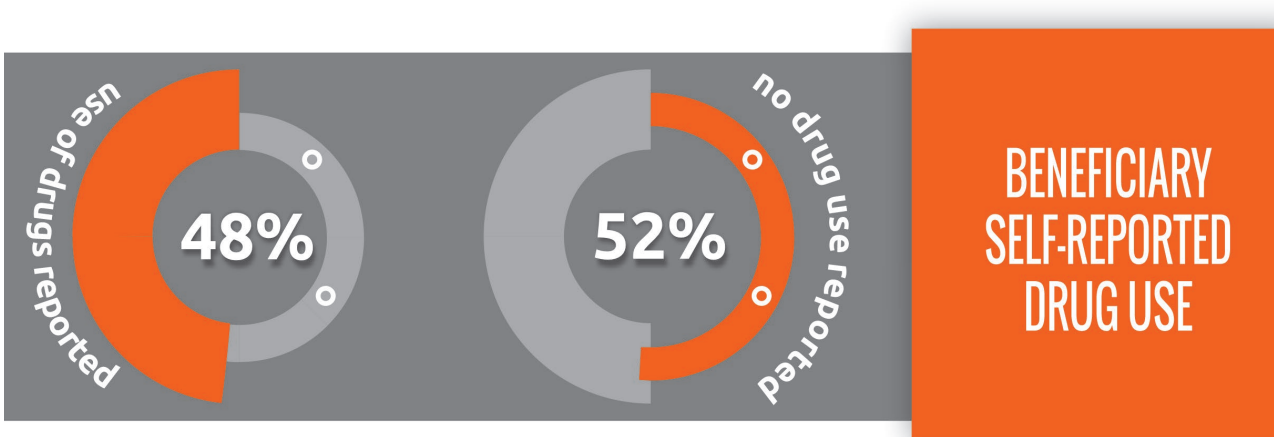
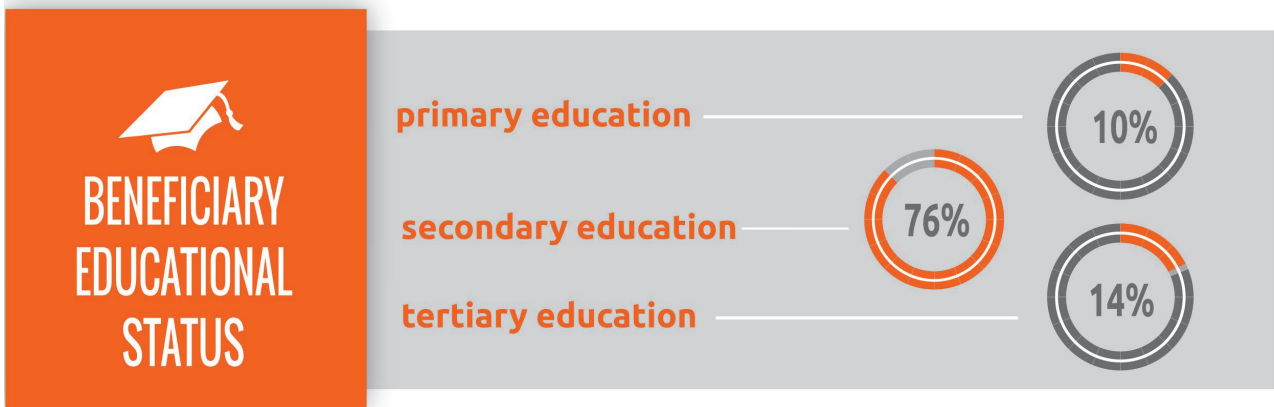
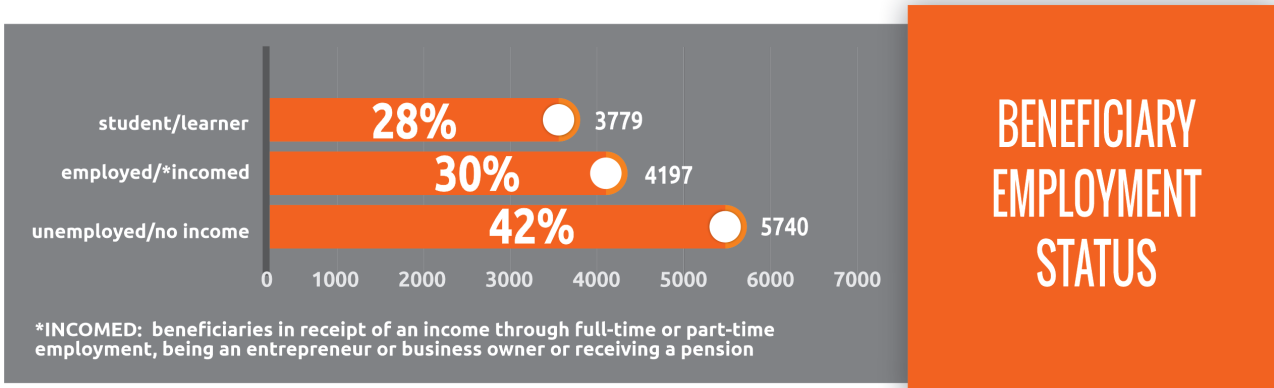
RACIAL PROFILE



AGE PROFILE

BENEFICIARY DISTRIBUTION: GENDER vs RACIAL PROFILE





Advocacy and Lobbying

South Africa continues to face high levels of crime and violence that are complex in origin. Public opinion veers, increasingly, towards punitive, harsher punishments rather than restorative initiatives that support rehabilitation and the reintegration of the offender.

For more than a century NICRO has focused its efforts on crime prevention in addition to the rehabilitation and reintegration of those in conflict with the law or the incarcerated.

The organisation concentrates, specifically, on criminal justice reform and creating alternatives to incarceration for less serious offences. In keeping with the restorative justice approach,

NICRO's initiatives are victim-centred, focussing on the accountability and rehabilitation of the perpetrator as well as community engagement and safety.

Having worked with people in prison for over a century, and listening to their stories, NICRO understands that more work needs to be done to prevent people from becoming involved in crime in the first place.

NICRO therefore also directs its efforts towards young people, working in schools with learners, educators and parents to address school violence and bullying by offering critical life skills and restorative justice interventions at school.

*I have always found
that mercy bears
richer fruits
than strict justice*

~Abraham Lincoln

NICRO's advocacy and lobbying efforts during 2018/19 included:

- Improving public understanding of rehabilitation and its impact on recidivism.
Understanding barriers to reintegration, which resulted in the establishment of the Criminal Records Coalition working group, the development of research papers and a review of the parole system.
- Strengthening efforts to coordinate the reintegration of offenders, which remains largely fragmented, through a series of initiatives and participation in forums such as the Detention Justice Forum, the Prison to College pipeline initiative, the Ex-offender Desk, the Engage Forum and the Halfway Houses network.
- Gang prevention interventions (participation in working groups).
The Hate Crimes Bill and the use of restorative justice interventions
- (Endorsement of the Restorative Justice Centre submission).
- Policing and human rights (The African Policing Civilian Oversight Forum and Human Rights Dialogue).
- Bail and Remand Detention roundtable.

Intimate partner violence (NICRO, which supports a holistic and coordinated approach and incorporates interventions for victims and perpetrators, contributed towards key discussions).

- Crime prevention in schools (Engaged relevant partners on key interventions).
- Participation in the development of the Southern African Development Community (SADC) Guidelines for Crime Prevention.
- Reintegration services for South Africans in foreign prisons deported back to South Africa (No protocol in place).
- Exploring sexual offender supervision models.
- Review of the Probation Services Act 116 of 1991.
- NICRO co-authored an article, "Towards transforming a system: re-thinking incarceration for youth (and beyond)", published in the South Africa Crime Quarterly.

Key advocacy strategies included engaging the media, research, parliamentary lobbying and submissions, participation in workshops and seminars, networking and dialogue with key stakeholders and the building of alliances and coalitions.

VENESSA PADAYACHEE

Special Projects, Advocacy and Lobbying

Human Resources

High levels of staff turnover are almost universal within the non-profit sector. Globally employee turnover rates are approximately 25 percent per annum. This means that, on average, non-profit organisations tend to replace their entire workforce every four years.

This, inevitably, has serious consequences for programme implementation. NICRO is very pleased to report we are heading in the right direction and that in 2018/19 staff turnover was reduced by 50% in comparison to last year.

NICRO's staff members are at the foundation of the organisation's highly specialised services and interventions: they provide the human capital, resources, skills and expertise to address and implement solutions to the wide range of challenges facing our beneficiaries. Our staff members are the actual tools that bring about lasting attitudinal and behavioural change, which in turn, drives crime prevention initiatives in South Africa. Traditionally, remuneration presents the sector with another challenge, primarily as a result of limited funding and the lack of funding security. Despite these challenges, NICRO was nevertheless able to implement a salary adjustment of 6%.

During the year under review we celebrated eight internal promotions: six social workers were promoted to supervisory positions while two social workers were promoted to the Clinical Unit.

Wellness Programme

A Momentum health care product, Health4ME, was introduced in June 2018 for employees. This product includes cover for the family members of our employees. Staff may elect to make use of Health4Me medical cover or select medical aid cover of their choice.

NICRO B-BBEE

NICRO has been audited for B-BBEE compliance in accordance with the requirements stated in Code 500 of the Broad-Based Black Economic Empowerment Codes of Good Practice and achieved the following:

- Socio-Economic Development Beneficiary
91.67% Black Beneficiary Base.

NICRO is recognised as a Level 1 contributor and is defined as a Qualifying Small Enterprise (QSE).

Rozanne Green

National Human Resources Manager



Financial Overview

The past financial year was another challenging one for NICRO from a cashflow perspective, but we were able, fortunately, to meet all our financial commitments timeously.

The Audited Financial Statements for the year ended 31 March 2019 reflect a surplus of R450,251, as opposed to a deficit of R14,526 recorded in the 2018 financial year. This improvement is largely due to an increase in revenue of just over R2.01 million (4.8%), whereas expenses increased by R1.55 million (3.7%).

The increase in revenue can be attributed primarily to an increase in grants from the Department of Social Development (DSD), which improved by R2 million. Although donations declined by R2.79 million, mainly as a result of no National Lottery Commission funding having been received, this was largely offset by clinical fees (before provision for potential bad debts), which increased by R1.82 million as well as increases in fair value gains (investments and investment property), which increased by some R0.81 million.

Despite the decline in donations, we were, once again, fortunate to receive substantial financial support from aware.org. The grant awarded to NICRO for its Road Offences Panel Programme in the financial year under review (2018/2019) increased to R8,083,135, almost double that of the 2017/18 grant. Other notable stalwarts include the HCI Foundation, the AC Low Trust, the Sibaya Community Trust, the Victor Daitz Foundation, the Fulton Trust and the Nussbaum Foundation.

Although clinical fees increased by 51.7% over the previous year, this has come at a price from a potential bad debt perspective, given that fees from paying clients were not collected up-front, prior to their receiving services. This resulted in the requirement to take further bad debt reservations in the current financial year, over and above those taken in the previous financial year. This risk has been addressed going forward.

Overall expenses increased by only 3.7%, which is below inflation. Whilst NICRO has continued with the practice of filling essential posts only as these become vacant, resulting in some savings, this has, to some extent, been negated by the need to appoint consultants, even if only on a temporary basis. The expansion of the Clinical and Training Unit this financial year had a material impact on the increase in expenses, although this will be contained in the new financial year and in future.

The Way Forward

The focus going forward will be on ensuring that the Clinical Unit becomes more profitable and that the organisation itself becomes more sustainable. Plans for 2019/2020 include the following:

- The Clinical Unit, following a directive from the NICRO Board, will operate strictly on an “upfront payment” basis for paying clients who are able to afford this service. The two managers from the Unit who have left NICRO’s employ will not be replaced. Existing office space will be used to accommodate the Clinical Unit rather than renting facilities from third parties.
- While every effort has been made to avoid office closures in the past, a

decision has subsequently been taken to close the Kimberley office as it is simply not sustainable. Further assessments will be conducted, focusing on offices where NICRO has the largest funding deficits. The Port Elizabeth and East London offices require a revision of DSD's funding model. If DSD requires a NICRO presence in the Eastern Cape, significant cutbacks may need to be effected to ensure a closer match between DSD funding and NICRO's operational costs, unless DSD is willing to revert to its previous funding model, which primarily involved the funding of designated posts.

- The Board has approved the sale of NICRO's Soweto property as well as the Head Office building in Harrington Street, Cape Town. In the case of the former, renewed efforts were recently made to ensure that all existing tenants signed new lease agreements, based on current rental rates, to cover the costs NICRO incurs to operate the Soweto Centre in terms of electricity, rates and water. Historically, it has been difficult collecting rentals from tenants and the centre has operated at a loss for a number of years. This necessitated the involvement of our lawyers on a large scale during 2018, which met with some success but incurred notable costs. Most tenants have signed new lease agreements and we

are hopeful that they will pay their rentals as a result.

- The outright sale of the Harrington Street property will allow NICRO to purchase suitable premises in some of the major centres. Services can then be delivered from NICRO's own premises rather than rented space, which will result in significant rental savings going forward.

The sale of Harrington Street will also

- afford NICRO access to funds to purchase capital items (motor vehicles, laptops and software) for which funding was allocated in the National Lotteries Commission's (NLC) most recent grant of R 5 million. Although NICRO applied for a deviation of the originally approved NLC budget, our request to re-allocate capital expenditure to salaries was declined. Once we have purchased the required capital items, we will be compliant, allowing us to apply for new NLC funding.

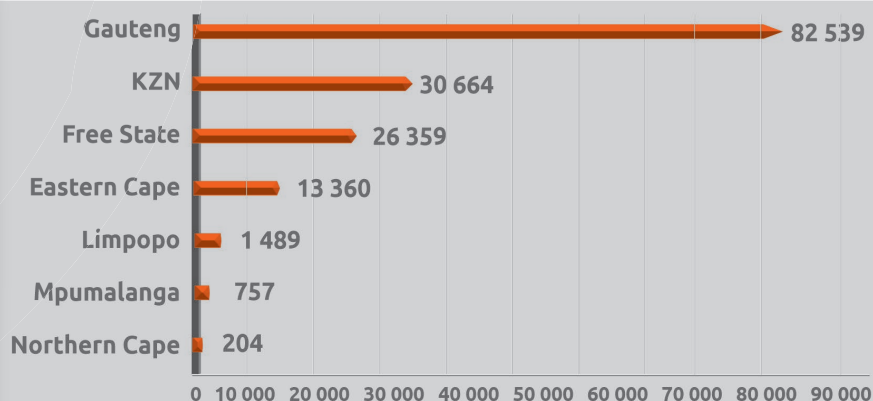
In summary, management is of the opinion that NICRO remains a going concern at this time although the sale of property, particularly Harrington Street, will be crucial going forward.

ANDREW QUINN

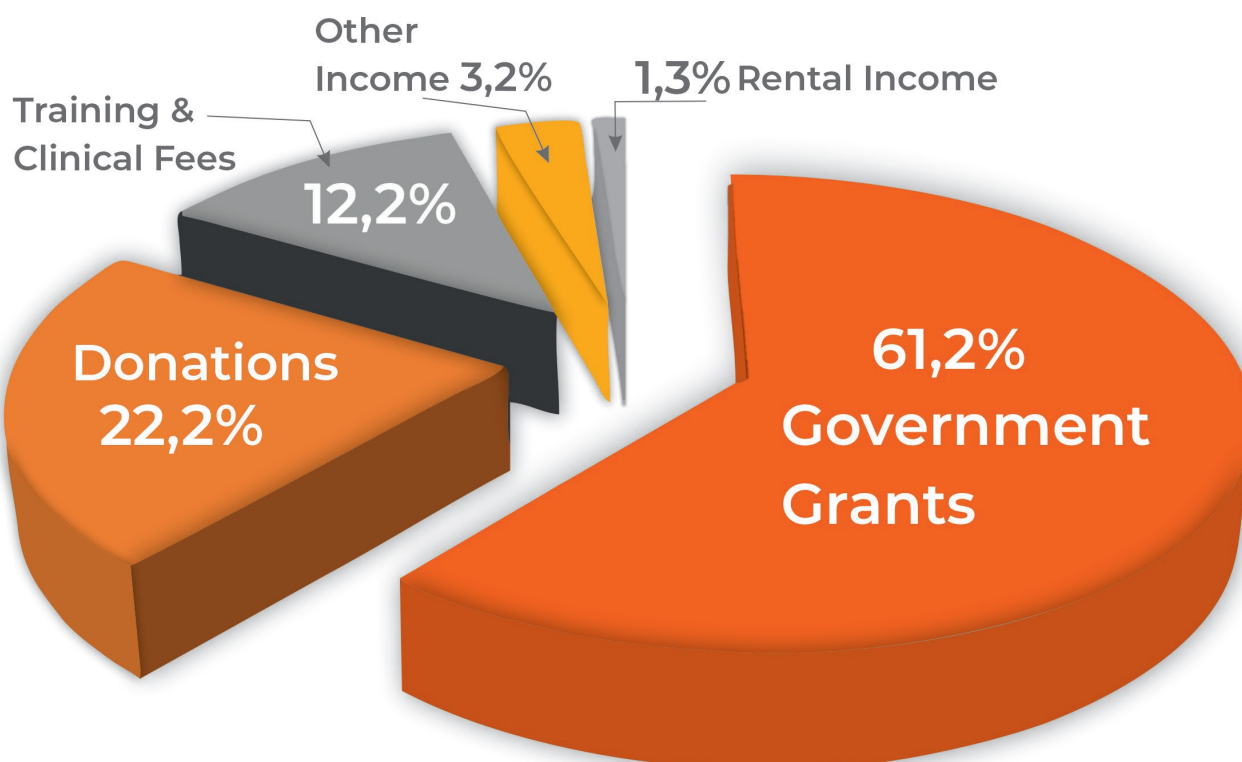
Acting Chief Financial Officer

Community Work

NUMBER OF
BENEFICIARIES
REACHED PER
PROVINCE



NICRO Revenue 2018/19



NICRO Revenue	2019	%	2018	%	Variance
Government Grants	26 787 865	61,2	24 783 932	59,3	8,1
Donations	9 721 008	22,2	12 509 084	29,9	-22,3
Training and clinical fees	5 339 780	12,2	3 520 527	8,4	51,7
Other income	1 395 398	3,2	625 870	1,5	123,0
Rental income	548 825	1,3	341 065	0,8	60,9
TOTAL	43 792 876	100	41 780 208	100	4,8

Our Donors

NICRO salutes and pays tribute to our donors:

AC Louw Trust

Advocate Greyvensteyn

Aqualina Trading

Association for Alcohol Responsibility
and Education (aware.org)

BackaBuddy

BORBET South Africa

Bowling, B

Buffalo City Metropolitan
Development Agency

Business and Arts South Africa (BASA)

Chidley, CT

Coetzer, MJM

Community Chest of the Western Cape

Ubuntu Community Chest (Durban)

Crossman, G

Department of Social Development

DG Murray Trust

Erasmus, The Honourable Justice NC

Fouche, A

Fulton Trust

Fusion Business Technologies

General Council of the Bar of South Africa

George Elkin Charity Trust

Give as You Earn

HCI Foundation

Hearn, A

Hendricks Harmse Attorneys

Henny, The Honourable Justice RCA

Katz, MM

Kentmere Investment and Trading cc

Ludjoe, F

MD Woodgate Charitable Trust

Media Works Cape Town

MMI Holdings

Moonlighting Films

Morodi, S

Noakes Family Charitable Trust

Nussbaum Foundation

Parring, MC

Pillay, J

Polansky Trust

R & P Kemp Trust

RJTS Warehousing &
Distribution Pty Ltd

Rotary Club Polokwane

Schoeman, R

Sibaya Community Trust

Steyn, H

TCG The Computer Guys

TS Berwitz Will Trust

Victor Daitz Foundation

Vodacom - IT Equipment

Willmott Trust

Witherow Trust

Woolworths My School Card

Yerolemou, L



correctional services

Department:
Correctional Services
REPUBLIC OF SOUTH AFRICA

aware!org
association for alcohol responsibility and education

core services

The **NICRO Diversion Service** is a specialist developmental, therapeutic intervention that diverts children, youths and adults, mainly first-time offenders, in the pre-trial phase who have committed a crime away from the formal justice system into a range of programmes (diversion options) that empower them with essential skills, attitudes, values and pro-social behaviour to prevent re-offending and reduce the commission of further crime. This initiative also incorporates the Safety Ambassadors Programme, a crime prevention initiative which focuses on at-risk youth. The Diversion Service involves a powerfully life-changing experience which successfully facilitates attitudinal and behavioural change. It arrests further delinquent and criminal behaviour and prevents juvenile offenders from becoming adult offenders. The NICRO Diversion Service promotes responsible citizenship, creates safer communities and helps build a safe South Africa.

The **Offender Reintegration Service** is a client and family centred intervention involving holistic and therapeutic rehabilitation services. It is geared towards achieving the smooth return of released prisoners to their families and their successful re-entry into their communities and society as law abiding, constructive and contributing citizens. This intervention promotes and facilitates the acquisition and mastery of life and other critical skills that enable former offenders and their family members to address personal, familial, economic and community risk factors and, in so doing, to reduce the incidence of recidivism.

The **Non-Custodial Sentencing (NCS) Service** provides a wide range of appropriate psycho-educational, therapeutic and rehabilitative interventions to which convicted lower-risk child and adult offenders who have committed less serious, non-violent crimes can be sentenced, rather than to serve a prison term. Non-custodial sentences are alternative sentences to imprisonment. By attending a range of interventions designed to equip offenders to rehabilitate and reintegrate into society, offenders have a better chance of changing their offending behaviour and going on to live crime-free lives to the benefit of all South Africans. Offenders attend a special, carefully structured programme or complete certain tasks to put right what they have done wrong. They continue to go to school or work and support their families, and do not become an additional burden on society. These programmes help to break the cycle of crime. They also give those who have broken the law the chance to make amends and repay the community they have wronged while they learn and master important life skills and grow personally.

NICRO contact details

HEAD OFFICE

1 Harrington Street, Cape Town 8001

PO Box 10005, Caledon Square 7905

Tel: (021) 462 0017

Fax: (021) 462 2447

Website: www.nicro.org.za

E-mail: info@nicro.co.za

