



PMS QUARTER 1 REPORT

2025/2026

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SECTION A:

PURPOSE

The purpose of this report is to summarise the Key Performance Indicators (KPIs) related to Good Governance that were accomplished during the first quarter of the 2025/2026 financial year. Local Economic Development (LED) Programmes Section during the first quarter of the 2025/2026 and the Finance and Investment section in the municipal financial year. This report provides insights into key initiatives, achievements, and challenges encountered, while also outlining future strategies to strengthen economic growth within the UThukela District and provide insights into the effectiveness of governance practices and highlight achievements within that timeframe

BACKGROUND

The Agency is to ensure compliance with legislation applicable to municipal entities, principals outlined in the King IV. Report and ensure organisational development and transformation, Implement performance management and to improve the capacity of staff for service delivery. The Agency is also responsible for promoting, supporting, and developing economic growth in the UThukela District through investment attraction, economic development initiatives, and the growth and support of Small, Medium, and Micro Enterprises (SMMEs). The section works closely with stakeholders, including government entities, private sector partners, and local communities, to foster an environment conducive to business development, job creation, and sustainable tourism.

SECTION B:

1.CORPORATE SERVICES SECTION

1.1 Performance Reports Submitted To UTDM

UThukela Economic Development Agency is required to submit their quarterly performance to the parent municipality after every quarter. The Agency's performance is measured through their SDBIP that is set in the beginning of the financial year as the work that will be done by the Agency throughout the year. The performance report comprises of KPI's (Key Performance Indicators) that are set to be achieved by the Agency. According to the Municipal Systems Act, 32 of 2000, the Agency is required to submit its's performance quarterly reports to uThukela District Municipality before the 10th of the beginning of every quarter.

1.2 Quarterly Internal Audit Committee Report

UThukela Economic Development Agency had its first audit committee meeting in the financial year 2025/26. The meeting took place on the 22 August 2025 to review the APR and AFS. The 2 documents were submitted to the internal audit unit of UTDM for auditing and an internal audit report was received on the 21 August 2025.

1.3 Quarterly Board Meetings

10 July 2025 Board Meeting

2.1 LGSETA REPORT

The LGSEATA report was presented to the Board, informing the Board about 3 interns whose contract ended 30 June 2024.

Resolution:

The Board of Directors noted the LGSETA report.

Mover: Mr Kunene

Seconders: Ms Zikalala

2.2 STAFF SALARY ADJUSTMENT

- The Acting CEO (ACEO) informed board members that the Agency staff are the lowest paid in the local government sector.
- Clerical positions are occupied by officials with not less than a 3-year Diploma.
- Senior officers have a Diploma and another added certificate.
- The salary adjustment has been budgeted for.
- The staff should be registered for them to gain other employment benefits.

Resolution:

- The Board of Directors noted the salary adjustments as presented by the ACEO.

Mover: Ms Zikalala

Seconders: Mr Kunene

MATTERS FOR CONSIDERATION

2.3 BOARD CONTRACTS

- The ACEO had requested the attendance of Mr Khathi, Acting Legal Manager (UTDM), to assist with matters of board contracts and board remunerations
- Mr Khathi mentioned that the ACEO had sent email a copy of the board contract and the Board Charter prior to the Board meeting.
- He then met with Mr Viljoen to assist him in better understanding the remuneration structure of the Board.
- He relayed to the Board that the per meeting fee is only paid to Board members who attended the meeting.
- The per annum fee which is a retainer fee/stipend may be paid annually, bi-annually, quarterly or monthly depending on the entity, every board member is

paid, whether there were attending meetings regularly or not. The appointment contracts of Board Members should stipulate the frequency of pay for these fees.

- Amended Appointment contracts should also reflect the pay structure of Portfolio Committees
- He further stated, by referring to the Board Charter Section 9 the terms in which a Board Member may be removed or resign from being a Member of the Board of Directors.
- By referring to Section 10 of the Board Charter informed the Board that they can make a recommendation to UTDM on fees payable to members of the Board.

Recommendation

The Board of Directors recommends that UTDM raises remuneration in accordance with the adopted council salary adjustments with effect from 1st December 2023.

Resolution

- The Board of Directors resolved to recommend that UTDM raises remuneration in accordance with the adopted Council adjustments with effect from 1 December 2023.
- The Board of Directors resolved to amend resolution 8.1 of the Board meeting that sat on 08 July 2024 to read as follows:
 - The committees will sit this quarter to elect committee chairpersons.
 - The committees will not sit on the same day.
 - Members of committees will be paid for meeting attendance at half the amount prescribed by the contract.

Mover: Mr Kubheka

Seconder: Ms Zikalala

2.4 PORTFOLIO COMMITTEES

- The portfolio Committees report were presented to the Board.

- A workshop/training on Portfolio Committee functioning should be held before the next portfolio committee meetings.
- The Portfolio Committee Chairperson should follow up on the implementation of their Portfolio Committee activities.

Resolution

- The Board of Directors adopted the Portfolio Committee reports and recognises them as Quarter 4 report.

Mover: Mr Kubheka

Seconded: Mr Kunene

2.5 ADOPTION OF POLICIES/SDBIP/STRETEGY/COMPLIANCE

- The policies were shared with the Board Members quarterly to be reviewed before final adoption.
- The SDBIP, Strategy Document and Compliance checklist were presented to the Board members.
- It is imperative that Board members know and understand the SDBIP; the quarterly targets and implementation of each KPI.

Resolution

The Board of Directors adopted the:

- Updated Policies
- 2025/2026 SDBIP
- Strategy Document
- 2024/2025 Compliance Checklist

2.6 BOARD MEETING SCHEDULE

- The Board meeting schedule for 2025/2026 financial year was presented to the Board.
- Board meeting are only held on Tuesdays or Thursdays.

- Board Meetings should not sit no later than the 10th of the beginning of each quarter.

Resolution

The Board of Directors approved and adopted the presented Board Meeting schedule with editions.

Mover: Mr Kunene

Seconded: Mr Kubheka

2.7 APPOINTMENT OF THE CEO

The Board of Directors collectively agreed to remove and never discuss this matter in board meetings.

Resolution:

The Board of Directors resolved to remove this item from the Agenda and from future discussions because engagements with UTM in this matter are fruitless.

Mover – Mr. Kubheka

Seconded – Mr. Kunene

2.8 ACTING CEO's CONTRACT

The Acting CEO's contract is expiring on the 31st of July 2025

Resolution

The Board of Directors resolved that the acting contract of the current Acting CEO be renewed for a further 3 months from 1 August 2025 to 31 October 2025.

Mover: Ms. Zikalala

Seconded: Mr. Kunene

2.9 UIFW

The Fruitless Wasteful Expenditure Investigation report was presented to the Board.

Resolution

The Board of Directors resolved not to recover R1 982 902.00 paid to iMpande Consulting for Coal Gasification Projects at Driefontein on the basis that services rendered were valued for money.

Mover: Mr. W. Kunene

Seconder: Ms. N. Zikalala

2.10 SCM QUARTER REPORT

The Quarter 4 Draft SCM report was presented to the Board.

Resolution

The board of Directors adopted the Quarter 4 SCM report.

Mover: Mr Kunene

Seconder: Mr Kubheka

2.11 FINANCIAL REPORT

- The financial report for the month ending June 2025 was presented to the Board.
- The ACEO informed Board members that the Agency does not have funds to pay for August salaries.

Resolution

- The Board of Directors noted the financial report for the 4th Quarter.

Mover: Mr Kubheka

Seconder: Ms Zikalala

2.12 EMPLOYMENT CONTRACTS

- The Agency currently does not have permanent staff members

- The staff are on a Two- year contract which is set to expire 30 June 2026.

Resolution

The Board of Directors mandated the Board Chairperson and the ACEO to engage UThukela District Municipality on the appointment of Agency staff on a permanent basis with effect from 1 July 2026.

Mover: Mr Kunene

Seconder: Mr Kubheka

3 OTHER MATTERS

3.1 INTERNAL AUDIT MATTERS

- The terms of office of the Internal Audit Committee expired on 31 May 2025.
- This Performance Audit Committee was appointed as a shared service with UTDM.

Resolution

- The Board of Directors mandated the ACEO to negotiate a shared Internal Audit & Audit Committee services arrangement with uThukela District Municipality

Mover: Ms Zikalala

Seconder: Mr Kunene

3.2 SERVICE LEVEL AGREEMENT (SLA) – OSS

- The Agency currently has ongoing engagements with TIKZN regarding the establishment and launch of a One Stop Shop (OSS), within the District, which will be funded by TIKZN.
- All the functions of the OSS will be managed by the Agency.
- The Agency will also have to insert funds towards the establishment of the OSS.
- The SLA was presented to the Board.

Resolution

The Board of Directors approved the signing of the Service Level Agreement (SLA) between TIKZN and the Agency on the provision of One Stop Shop services.

Mover: Mr Kubheka

Seconded: Mr Kunene

26 AUGUST 2025 SPECIAL BOARD MEETING

4.1 Annual Performance Report

- Ms SA Maphalala presented annual performance report highlighting the KPIs that were achieved and not achieved. The Agency had a total number of 37 KPI's and out of this 37, 34 KPI's were achieved and 3 were not achieved. The report covered the challenges encountered throughout the year and remedial actions to those challenges. The following KPI's were not achieved:

- KPI 5: KPI 5 required the Agency to have a report from the internal audit unit of UTDM and the reports were not received due to the Agency not having a shared service of the unit to audit performance. The Agency has a shared services with the UTDM internal audit unit and audit and performance audit committee

- KPI 16: The KPI required the Agency to report on the monthly expenditure of OSS. This KPI was not achieved as OSS has not begun operations. For the financial year 2025/26, TIKZN has deposited R350, 000 to the Agency to begin the processes for the OSS. In the financial 25/26 there will be something happening with OSS and there will be no longer not achieved.

- KPI 25: Compilation of quarterly statistics on the services rendered in terms of OSS. This KPI was not achieved as the OSS is not in operation.

- All KPI's that were not achieved, reasons and corrective measures for were given in an excel spreadsheet APR.

INPUTS

- The ACEO requested that members of the board, in their capacity as members of respective Portfolio committees, must actively participate and familiarise themselves with the KPIs reported to their committees. Committee chairpersons were

encouraged to engage with the relevant departmental officers responsible for reporting to ensure that the work submitted is of required quality. The objective is to achieve all KPIs and secure a clean audit outcome.

- Board resolution report was approved by the board members.

Mover- Mr Kunene

Seconders- Mr Sithole

4.2 Annual Financial Statement

- Ms Mathonsi presented the annual financial statement to the board and highlighted fruitless and wasteful expenditure amounting to R3, 321 which are from SARS penalties during the 2024/2025 financial year.
- The recommendation is for the board to investigate this fruitless and wasteful expenditure and recover it.
- The report was shared with the board of directors and it was approved

Mover- Mr Kubheka

Seconders- Mr Kunene

SUMMARY OF ATTENDANCE BOARD MEETING

BOARD MEMBERS	MEETING	SPECIAL MEETING	PORTFOLIO COMMITTEES		
	10 July 2025	26 August 2025	Finance	LED	Corporate
DR KH Nduli	✓	✓	✓		
Mrs. A Asmal	✓				
Mr B Kubheka	✓		✓	✓	

Ms N Zikalala	✓	✓	✓		✓
Mr. M Sithole	✓	✓		✓	✓
Mr. W Kunene	✓	✓		✓	✓

1.4 Quarterly Board Portfolio Committee Meetings

All 3 portfolio committees sat on the following dates:

LED Portfolio Committee sat on the 02 July 2025 and the following items were discussed:

- LED Programmes section quarterly report
- Procurement for quarter 4
- Mhlumayo beef improvement project plan

Corporate Services Portfolio Committee sat on the 3rd July 2025 and the following items were discussed:

- LGSETA Report
- Quarter 4 Report
- SCM Report

Finance and Investment Portfolio Committee sat on the 9th July 2025 and the following items were discussed:

- Financial report and performance
- Investment and economic development reports
- Support for small, medium and micro enterprises (SMME) reports

1.5 Adoption of Performance Management Plan

1. Purpose

- To provide a standard and a practical guide in the implementation of performance management of uThukela Economic Development Agency (UEDA) and ensure fairness and transparency.
- Establish Performance Agreements across all sections
- Conduct performance reviews to assess employee performance and provide feedback
- Facilitate ongoing communication between supervisors and employees

2. PERFORMANCE MANAGEMENT CYCLE

The performance management cycle for the entity shall commence on 01 July of the calendar year and shall end on 30 June of the following calendar year.

The cycle of the entity is composed of the following phases:

Performance Planning: is an approach to successfully achieve the desired goals of the organisation and departmental throughout the assessment year.

Performance Monitoring: This happens throughout the performance management cycle and involves the execution of scorecards, monitoring of performance against the scorecards. This is aimed at documenting progress against planned performance and it allows for continuous tracking of performance, and performance improvement through feedback as well as reinforcement of key results and development of competencies where applicable.

Performance Reviews: Performance reviews take place through formal sessions at periodic intervals during the performance cycle. These are aimed at assessing the level of performance against the scorecard.

Phase 1: Performance Planning

- All employees shall be required to enter into performance agreements for a new financial year. These performance agreements shall contain performance scorecards
- All employees shall conclude and sign their performance with their supervisor
- All supervisors shall conclude and sign their performance with the CEO

- Parties entering into a performance should ensure that key performance indicator are measured in line with Service Delivery Budget Implementation Plans (SDBIP).
- Performance planning is as follows:

- 1st quarter – adoption of the performance management plan by the MANCO and Board of Directors.

Deadline: 30 September 2025

Phase 2: Performance Monitoring

- Performance monitoring must take place all round year
- CEO shall be responsible for monitoring the performance of all supervisors that are reporting to him
- All employees shall monitor the performance of their subordinates
- All employees are responsible for collecting information on implementation of the scorecard and consolidation of this into progress and annual performance report
- All employees are required to collect evidence to support the achievement of performance objectives in line with contents of their scorecard.

Deadline: Quarterly

Phase 3: Performance Reviews

- Quarterly reviews will often be a more effective way of dealing with unsatisfactory performance. These reviews allow time for provision of additional training and advise to aid improvement in performance.
- Where improvement is required, the supervisor must ensure that the employee understands and is committed to reaching the required standard, how performance will be reviewed and over what period.

- However the employee should be aware that formal processes will be used if performance does not improve to the required standard or is not maintained.
- The Schedule for performance review is as follows:
 - 2nd quarter- all employees entering into a performance agreement
 - 3rd quarter – conducting performance reviews
 - 4th quarter – all employees entering into a performance agreement
- In the event the employee changes the job (within the entity, or where the employee leaves the entity) during the performance cycle, performance reviews related to the employee vacating the post must be completed prior to the employee's movement to the new position or new institution.
- If the employee changing jobs is the supervisor, performance reviews for each employee under her/his control should be completed prior to her/his movement.
- It is the responsibility of the employee to timeously alert the supervisor of any emerging factors that could preclude the achievement of any performance undertakings, including the contingency measures that are proposed to ensure the impact of such deviation from the original agreement is minimised.
- It is also the responsibility of the employee to collect and submit evidence to support performance achievements
- The rating of performance shall be done in line with the prescribed rating scale.
- It is the responsibility of the supervisor to inform the employee of the outcome of the assessment and if the employee's performance is unsatisfactory, of the reasons for that assessment.
- The completed assessment shall be signed by the subordinate, supervisor relevant

Deadline: 31 March 2025

3. ADDRESSING POOR PERFORMANCE

3.1 Performance Counselling sessions

The employee's direct supervisor is responsible for conducting any formal counselling sessions on poor performance. The counselling session is an opportunity to formally plan and agree on corrective action.

- Identify why the employee is failing to meet the required performance standards/objectives
- Agree on a personal development plan to assist the employee in achieving the required standards/objectives and give the employee a fair opportunity to improve his/her performance. This personal development plan must form part of the performance agreement
- Make the employee aware of the potential consequences of not complying with performance requirements.
- Ensure that these meetings are documented so that procedural fairness can be proved in the event of any future disciplinary being taken

3.2 Performance and Incapacity

Firstly, the supervisor should ensure that the employee is fully aware of their job description and their job requirements. KPIs as defined in their performance plans and performance agreements should be agreed upon by both parties.

- Adequate instructions, and training should be provided to ensure that the employee is able to meet objectives and targets.
- The employee must be given reasonable time to achieve the required objectives and targets.
- The employee should be given regular feedback on their performance.
- The above steps should be conducted in conjunction with the Personal Development Plan.

3.3. Formal Disciplinary Process-Corrective action

- Should the employee after a reasonable period of time for improvement, continue to perform unsatisfactorily, notwithstanding appropriate evaluation, instruction, guidance and/or counselling, formal disciplinary steps may be implemented.

- Formal disciplinary hearing should be held and corrective action through a series of disciplinary measures should be considered, e.g. written warning, written final warning, and finally dismissal as a last option.

1.6 One Training Conducted

1. INTRODUCTION

UThukela Economic Development Agency (UEDA) has a culture of training staff members twice a year, 1 in first quarter and the other in third quarter. Disciplinary committee training is crucial for promoting fairness, consistency, and effectiveness in addressing misconduct. This training equips committee members with the knowledge and skills to conduct investigations, apply rules equitably, handle evidence, and make just decisions, ultimately fostering a harmonious and productive environment by upholding standards of conduct and correcting unacceptable behavior without bias. This report outlines the disciplinary committee training proceedings

2. BACKGROUND

Discipline committee training is a fundamental need for organisations to regulate conduct, ensure fairness and maintain positive work environment by establishing consistent standards and processes for addressing misconduct. The training provides committee members with procedural fairness, investigation of incidents, the structure of hearings and the application of fair, progressive disciplinary actions.

3. PROCEEDINGS

Disciplinary Committee training was held on the 30th September 2025. The training covered the following areas:

- **Understanding Disciplinary Procedures:**

Learning the steps of a formal disciplinary procedure, from informal counselling to written warnings and final dismissal.

- **Investigation Skills:**

Developing the ability to conduct thorough and fair investigations, gathering evidence, and interviewing witnesses.

- **Procedural and Substantive Fairness:**

Understanding the legal requirements to ensure fairness in both the reasons for disciplinary action and the process used to reach a decision.

- **Conducting Hearings:**

Training on how to chair disciplinary hearings, structure the proceedings, present evidence, question witnesses, and make fair decisions.

- **Appropriate Sanctions:**

Learning to determine appropriate and proportionate disciplinary measures based on the nature of the misconduct and relevant case law.

- **Documentation:**

Emphasizing the importance of thorough documentation of the entire process, from the initial incident to the final outcome.

- **Employee Rights:**

Ensuring that the rights of the employee, such as the right to representation, are respected throughout the process.

4. CONCLUSION

Disciplinary Committee training is very important as it trains committee members on the role and responsibility of the committee, reasoned decisions based on evidence, policy and documenting the process. The training ensured that the committee is knowledgeable on the procedural requirements, fair hearing and the ability to conduct a fair investigation and the proper application of evidence and that the primary purpose of the committee is to address misconduct and ensure standards are met.

1.7 Reviewal Of Policies

1. INTRODUCTION

The UThukela Economic Development Agency (UEDA) has a culture of annually reviewing and adopting policies to ensure alignment with organisational goals and regulatory requirements. Due to larger number of policies, the Board of Directors requested that policies be divided and submitted on a quarterly basis. This approach allows the Board sufficient time to review policies thoroughly and provide comments where necessary. This report outlines the policies reviewed in quarter 1.

2. BACKGROUND

A policy review is a systematic process where an organisation examines its existing policies to ensure they remain relevant, effective, and compliant with current laws and regulations. The policy reviewing ensures that there is alignment of policies with the organisations goals. It assists in maintaining the quality and efficiency of policies by regularly assessing their functionality and making necessary adjustments.

3. PROCEEDINGS

UThukela Economic Development Agency has completed its policy review for quarter the following policies were reviewed:

- Board Charter
- Conflict of Interest Policy
- Disciplinary Code Policy
- Fleet Management Policy
- Code of Conduct Policy
- Acting Policy
- Risk Management Policy
- Training and Development Policy

4. ANALYSIS

The following procedure was used to ensure the review process is both effective and efficient:

- Regulatory Changes
 - Operational Changes
 - Benchmarking policies against the leading competitors
 - Clarity & Readability
 - Employee Adherence
 - Operational Relevance
 - Practicability
 - Use of clear and concise language
 - Maintaining a logical structure
-
- **Board Charter:** the following additions were added to the Board Charter:
 - A point on reviewing terms of reference annually
 - Appointment of company secretary
 - Added on board responsibilities
 - Added CEO responsibility
 - Added the sittings of the Board
 - **Conflict of Interest:** the following was added on the conflict of interest policy:
 - Purpose of the Policy
 - Objectives of the Policy
 - **Disciplinary Policy:** Definitions were added
 - **Cell phone 3G Policy:** The relevance of this policy still needs to be checked with the Accounting Officer as the organisation does not have employees who uses company cellphone, including the Accounting Officer, all employees use their personal cellphones.
 - In the following policies, acts were verified, alignment and spelling errors. There was no information amended to the following policies:
 - **Acting Policy**
 - **Fleet Management Policy**

- **Training and Development Policy**

5. CONCLUSION

Regularly reviewing and updating policies and procedures is not just a bureaucratic task; it is a critical practice that supports legal compliance, operational efficiency and risk management. There has been a great improvement in the review process of policies.

1.8 IGR Quarterly Meeting

An ESID Cluster meeting took place on the 28 August 2025. The following items were discussed:

1. Status Report: UThukela Economic Development Agency (Inclusive of Business Chamber / Social Partners)
2. District One Plan
3. Economic Sector, Investment and Infrastructure development cluster
4. Infrastructure development
5. Sector plan development (LED, Tourism, etc.)
6. Sector Departments: shared services
7. OSS/LTT Matters

1. CONCLUSION

In conclusion, the Corporate Service Unit has successfully met its key performance indicators (KPIs), demonstrating effective management and efficient operations. The overall performance of the unit indicates it is functioning well, effectively managing its responsibilities, and making substantial progress towards its goals.

2. FINANCE & INVESTMENT SECTION

2.1 Monthly Financial Reports

The Agency successfully compiled and submitted financial reports for July- September. These monthly reports offer a detailed analysis of the Agency's budgetary performance, ensuring that expenditure remains within the approved budget and aligned with UEDA's strategic priorities. The reports also provide transparency on revenue generation and cost containment measures.

2.2 Collection of Vacant Land and Building Data

UEDA collaborated with local municipalities and private sector stakeholders to compile data on vacant land and buildings available for investment. This data has been made available on the Agency website. The initiative enhances UEDA's role in facilitating property-related investment and driving economic growth.

2.3 Monthly OSS Expenditure Reports

The agency could not submit monthly OSS (One Stop Shop) expenditure reports, but TIKZN signed the SLA and deposited R350 000 into UEDA'S bank account. OSS program has not been officially launched. UEDA is working closely with relevant stakeholders to expedite the launch.

2.4 Services Rendered

UThukela Economic Development Agency (UEDA) offered various services to foster business growth and compliance in the community. Notably, UEDA assisted a number of emerging SMMEs by developing a comprehensive business plan and business registrations.

2.5 Targeted Individuals and Businesses Enlistment

UEDA successfully liaised with Local Municipalities to identify and enlist targeted individuals and businesses. This effort aligns with UEDA's goal of promoting inclusive economic growth and ensuring that businesses from previously disadvantaged backgrounds are supported through the agency's programs.

2.6 SMME Funding Applications

UEDA successfully identified three funding applications for SMMEs. These applications seek to secure financial support for local entrepreneurs, contributing to the sustainability and growth of small businesses within the district. This is part of UEDA's broader mandate to support SMME development.

2.7 Engagement with Major Industry

UEDA successfully held two engagement sessions with a key industries player in the district. UThukela Economic Development Agency had an engagement with LILANI and SACTWU on LILANI business rescue. The engagement focused on fostering partnerships, and aligning the industry's activities with UEDA's development objectives.

3. LED PROGRAMMES

3.1 Tourism Stakeholder engagement

On 05 August 2025, the UThukela District Municipality (UTDM) LED Unit hosted a tourism stakeholder engagement session aimed at strengthening collaboration and aligning tourism initiatives across the District. Held at the UEDA main boardroom.

During this meeting, UTDM-LED and Tourism section welcomed the request for collaboration and confirmed its commitment to working hand-in-hand with stakeholders to ensure that tourism projects across the District are aligned for greater impact. The session created a platform, where it was agreed that collaboration would be strengthened going forward and that tourism development would be approached collectively.

As a follow-up to this engagement, the LED and Tourism Forum (Ms Teams) was convened on 23 September 2025. In this forum, the Uthukela Economic Development Agency (UEDA) presented its programmes for the 2025/26 financial year. The presentation outlined key initiatives designed to stimulate tourism growth, create opportunities for local communities, and support tourism enterprises within the District. Stakeholders acknowledged the importance of aligning it with existing projects.

A key resolution taken during the forum was that going forward, regular reports on the progress of projects must be shared. This would allow stakeholders to monitor developments, track achievements, and address challenges collectively.

Both engagements highlighted the importance of collaboration, transparency, and alignment in ensuring that tourism remains a key driver of local economic development in Uthukela. The commitment from UTDM, UEDA, and stakeholders sets a solid foundation for impactful tourism development in the 2025/26 financial year and beyond.

3.2 Development of Tourism Routes

UEDA registered six companies (co-operatives), with three based in Inkosi Langalibalele Municipality and three in Okhahlamba Municipality. This milestone reflects UEDA's ongoing commitment to promoting local economic development through the formalisation of emerging businesses.

As part of continued community engagement, UEDA conducted site visits on 05 September 2025 to Inkosi Langalibalele and on 09 September 2025 to Amazizi. These visits provided an opportunity to engage directly with entrepreneurs, assess on the ground needs, and offer guidance on business development and support services.

In addition, the Umkanga SMMEs is registered under a trust structure, but there are two individuals that wishes to register but are held back by financial constraints. This formalisation allows them to access wider business opportunities, apply for funding, and operate with increased legitimacy and structure within the district.

To further support visibility and market access, UEDA has begun digitally promoting products of registered SMMEs by uploading their offerings to its official Facebook page. This initiative serves as a low-cost but high-impact digital marketing tool, enabling local entrepreneurs to reach broader audiences and grow their customer base beyond their immediate communities.

3.3 Rural and Township Development

Between **18–22 August 2025**, UEDA conducted a comprehensive phonic and distributed survey of Small, Medium, and Micro Enterprises (SMMEs) in **Inkosi Langalibalele** and **Okhahlamba** Municipalities, followed by the second phase from **25–29 August 2025** in **Alfred Duma Local Municipality**. The aim of the survey, was to gain deeper insights into the challenges, needs, and opportunities faced by local businesses across the UThukela District.

Feedback collected directly from SMME owners revealed several recurring barriers to growth, including limited access to finance, restricted market opportunities, and inadequate infrastructure. These findings have provided UEDA with a clear and evidence-based foundation for developing targeted support programmes. Going forward, the action plan derived from the challenges was developed and implemented. The survey will serve not only as a diagnostic tool but also as a roadmap to strengthen partnerships, enhance

service delivery, and create an enabling environment that supports the growth and sustainability of SMMEs within the district.

3.4 Market for Souvenirs

To creating sustainable market opportunities for local crafters and positioning handmade products within the tourism value chain. On **4 September 2025**, UEDA facilitated the participation of local crafters at the **Dongala Market**, where three handmade bags were sold at **R750 each** (R2,250), and one bag was sold at **R850**, generating a total income of **R3,100**. Further market exposure and direct sales opportunities were secured with **Carven**, where, on **11 September 2025**, **Inala Suppliers** sold **ten handmade table mats at R350 each** (R3,500) and **Nonku Crochet** sold **four handmade bags at R650 each** (R2,600). These Carven sales brought in an additional **R6,100**. Altogether, the combined sales from both events amounted to a total of **R9,200**. These achievements underscore UEDA's ongoing efforts to create sustainable sales channels, enhance market access, and integrate local craft products into broader tourism and retail markets.

3.5 Tourism Destination Marketing

As part of efforts to strengthen tourism visibility, the Uthukela Economic Development Agency (UEDA) successfully added a Tourism Web Office Bar to its official website. The initial plan was to appoint a service provider to upgrade the current website to a more advanced platform that would meet the needs of the institution and its various sections. The upgraded website was envisioned to allow easy uploading of videos, pictures, and documents while ensuring user-friendliness and accessibility.

The dedicated tourism section now serves as an interactive and accessible platform for sharing tourism-related activities, showcasing local events, and promoting tourism products across the District. This initiative aims to provide both residents and visitors with up-to-date information about Uthukela's diverse tourism offerings, thereby enhancing destination marketing and supporting local tourism enterprises.

However, due to financial constraints, the section was unable to proceed with outsourcing the work and ultimately completed the development in-house.

3.6 Livestock Auction

On 23 July 2025, UEDA, in partnership with the Mdukatshani Rural Development Trust, supported farmers during a goat auction at eSikhaleni in Colenso. The initiative aimed to strengthen partnerships with farmers, improve auction processes, and equip participants with the skills required to transform goat farming into a sustainable business. UEDA played an active role in transporting goats from sellers' households to the auction venue and ensuring that the process was smooth, transparent, and beneficial to both farmers and buyers.

Details of an auction process

Details	Figures/ amount
No of goats presented	127
No of goats sold	117
Goat not sold	10
Highest price	3500
Lowest price	1100
Average price per goats	2023
No of seller	19
Total accumulated	236 800

Update on Poultry Farmers Database

To consolidate efforts in supporting poultry farming, UEDA updated its poultry farmers database during this quarter. Data was sourced through walk-in farmers seeking business assistance, contributions from the Department of Agriculture and Rural Development (DARD), and records from Alfred Duma and Okhahlamba local municipalities. This consolidation resulted in a comprehensive database that reflects the poultry farming

landscape across UThukela District. However, challenges were encountered as Inkosi Langalibalele Municipality did not respond to requests for data submission. Despite this, the updated database will be instrumental in planning future poultry farming interventions and positioning UThukela as a reliable environment for meat production.

3.7 Sugar beans

The programme focuses on improving productivity, ensuring market access, and fostering sustainable livelihoods within the district's agricultural sector.

During the contract signing phase, the section successfully signed agreements with **19 farmers** who will participate in the next planting season. All participating farmers are from various local municipalities within the Uthukela District, as follows:

- **10 farmers** from **Alfred Duma Local Municipality (ADLM)**
- **5 farmers** from **Inkosi Langalibalele Local Municipality (ILM)**
- **4 farmers** from **Okhahlamba Local Municipality (OLM)**

These contracts outline the commitments between UEDA and the participating farmers regarding input supply, production support, and post-harvest management.

During the process, **five (5) farmers could not be reached** for contract signing due to communication challenges and availability constraints. The section is currently making efforts to contact these farmers to finalize the agreements before the commencement of planting activities.

4. CONCLUSION

In conclusion, the Agency has successfully met most of its key performance indicators (KPIs), demonstrating effective management and efficient operations. The overall

performance of the units indicates it is functioning well, effectively managing its responsibilities, and making substantial progress towards its goals. During the first quarter of the 2025/26 financial year, UEDA made significant strides in economic development, tourism promotion, and agricultural support. Moving forward, UEDA will continue monitoring project progress and fostering partnerships to ensure the successful execution of its economic development initiatives.

A handwritten signature in black ink, appearing to be 'S.B.', enclosed within a light gray rectangular border.

Mr. SB Sibisi (Acting CEO)

UThukela Economic Development Agency

Date