



co-operative governance,
human settlements & traditional affairs
MPUMALANGA PROVINCE
REPUBLIC OF SOUTH AFRICA

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Netendzabuko

Departement van
Samewerkende Regering
Menslike Nedersettings
en Tradisionele Sake

UmNyango weTjhebiswano
laboRhulumende
zokuHlaliswa kwabantu
neenDaba zenDabuko

Presser
31 July 2026

CoGHSTA WELCOMES COURT OUTCOME ON XJR CONSTRUCTION MATTER

The Mpumalanga Department of Cooperative Governance, Human Settlements and Traditional Affairs (CoGHSTA) has welcomed today's High Court judgment in its ongoing litigation with XJR Construction, describing the outcome as a significant legal victory that protects public resources.

The matter relates to a claim by XJR Construction against the Department for approximately **R470 million** for the construction of government-subsidised houses. Following the issuing of a warrant of execution against the Department, CoGHSTA launched an urgent application to stay the warrant pending the hearing of its rescission application.

The Department's urgent application was argued on 28 July 2026, with judgment reserved. The Court today (31 July 2026) ruled in favour of the Department, finding the matter to be urgent and ordering that the warrant of execution be stayed pending the determination of the rescission application. This means XJR Construction cannot enforce the judgment or execute against the Department until the Court has decided the rescission application.

The Court also ordered XJR Construction to pay the costs of the application on the party-and-party Scale B. This means the company is liable for the Department's recoverable legal costs incurred in bringing the urgent application, as determined in accordance with the applicable court tariff.

Welcoming the judgment, MEC for Cooperative Governance, Human Settlements and Traditional Affairs, Mr Speed Mashilo, said, "This is a significant legal victory for the Department. The judgment safeguards public funds by preventing the execution of a substantial claim while the Court considers the merits of our rescission application. We remain committed to ensuring that this matter is resolved through due legal process."

The rescission application has been set down for hearing on **31 August 2026**. The Department remains confident in the strength of its case and will continue to pursue all lawful avenues to protect the interests of the people of Mpumalanga and the public purse. The Department will provide further updates as the matter progresses.

ISSUED BY THE COMMUNICATION SERVICES
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