

The complaint

Mr S complains that National House-Building Council (NHBC) has unfairly declined his buildings warranty claim.

What happened

Mr S made a claim after he noticed some spots and small holes on the external brickwork of his home.

NHBC investigated and looked at photographs of the brickwork provided by Mr S. It said the problem was purely cosmetic, so it wasn't something it was responsible for under the warranty and declined the claim. NHBC did though apologise for some communication issues, as it had delayed replying to some of Mr S' emails.

Our investigator didn't think NHBC had done anything wrong. She explained that under the policy NHBC was responsible for *damage* caused by *defects*. The spots on the bricks were not considered a defect, they didn't affect the structural integrity of the building and were purely cosmetic.

Mr S didn't agree, so the case has been passed to me for a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The Buildmark policy sets out the terms of the agreement between NHBC and Mr S. It's explained that cover under the warranty is split into sections. The first section covers claims before completion of the sale, the second is for any claims in the first two years following completion and the third section is the following eight years.

Mr S' claim fell under section three of the policy, which says providing the cost is more than the minimum claim value, NHBC will pay the full cost of putting right any 'damage' in any of the listed parts of the house, which includes walls. But 'damage' has been specifically defined within the policy;

- Damage is defined as *physical damage to the home caused by a Defect*.
- Defect is defined as *the breach of any mandatory NHBC Requirement by the Builder or anyone employed by or acting for the Builder*.
- But failing to follow the guidance doesn't amount to a defect if performance required by the NHBC standard is achieved by other means.

NHBC Standards are that any bricks used in house building should support intended loads and keep the home dry by resisting the passage of moisture. So, for Mr S to have a valid claim for his bricks a breach of the requirements must be shown.

NHBC declined the claim because it believes the spots are just a feature of the type of bricks used, are cosmetic in nature and not a breach of the NHBC Standards. NHBC has shown similar style bricks on a manufacturer's website where dark spots are visible in some places.

Based on what I've seen, I'm satisfied NHBC has assessed Mr S' claim in line with the policy. Mr S has not been able to demonstrate that the spots have been caused by a failure to support intended loads or are allowing moisture to pass into the home. And so, I'm satisfied the outcome in declining the claim is fair and reasonable in all the circumstances.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 December 2020.

Sean Hamilton
Ombudsman