

## The complaint

Ms J is unhappy that National House-Building Council (NHBC) have declined her claim under her Buildmark Building Warranty (“policy”).

Ms J has been represented by an expert family member, but I’ll refer only to Ms J in this decision.

## What happened

Ms J made a claim about the *“rising water in the fabric of the building due to NHBC standards not being complied with when the house was built”*. The point being made by Ms J was that the Damp Proof Course DPC positions/provisions and air bricks (or weep vents) were too low. There was also watermarking to a section of roughcast render at the property. Ms J said NHBC should be dealing with these issues as a valid claim under the policy.

NHBC reviewed the damage and declined the claim. It said the policy criteria under Section three had not been met as there was no physical damage to the home. Regarding the roughcast NHBC said *“The staining of the roughcast was cosmetic, and under Section 3 we do not cover cosmetic damage which does not impair the structural stability or weather tightness of the home”*. NHBC continued *“there is no water ingress internally to the property”*. It concluded *“if we did consider the issue being experienced as physical damage, I understand that the cost for the localised repair to the roughcast would not exceed the applicable Minimum Claim Value”*.

Ms J didn’t accept this. She said the required NHBC building standards had been breached regarding the DPC. She also said when there was heavy rain or snow this was causing the watermarking of the roughcast. Ms J said it needed to be addressed as there was potential for water to cause rising damp which would reach the timber frame of the property and cause further damage. As Ms J remained unhappy she brought her complaint to this service.

Our investigator didn’t uphold the complaint. He said for the policy to respond there has to be damage caused by a defect. He said there was no evidence that the DPC had allowed water into the home. He said even if the DPC did breach the standards required and could be considered a defect the policy still required physical damage to the home. Our investigator accepted that the damage to the roughcast was cosmetic as NHBC said it hadn’t failed or debonded.

Mrs J didn’t accept this and asked for her complaint to be passed to an ombudsman 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 images provided show that there is watermarking on the roughcast. And I've no reason to doubt the technical detail provided on behalf of Ms J that suggests the DPC provisions and vents are too low.

Ms J said that if NHBC standards had been followed then no claim would have occurred. She said the builder had overlooked the requirements. She also said NHBC had a duty to ensure its standards are met and suggested that NHBC hadn't denied that the required standards hadn't been followed.

NHBC produced an investigation report following the claim. The report considered both points:

- External damp to roughcast;
- Height of ground to DPC.

But the claim for both points was declined. NHBC accepted there was *"damp staining to the render on the rear elevation"*. And it accepted *"The cause of the staining is the proximity of the bottom of the render to the ground. The recommendation for the damp proof course (dpc) and render is 150mm above ground level however this is just guidance. In this instance the render absorbs moisture during periods of very wet weather and snow fall, then dries out. There is no evidence of physical damage and the staining is cosmetic which is not covered by the NHBC Buildmark policy"*.

It is clear that NHBC accepts the standards recommended haven't been met. But it goes on to say this is just guidance rather than a requirement. I can understand how that would be upsetting for a customer to hear, especially when, as far as Ms J is concerned, the standards not being followed has led to the need to make a claim. NHBC said the policy does not cover under Section three *"cosmetic damage which does not impair the structural stability or weather tightness of the home"*. And although I understand how frustrating that is for Ms J that is what the policy says. So, on that basis I accept that NHBC didn't act unfairly or unreasonably when it declined to deal with her claim.

The wider point being made by Ms J is that because the DPC is too low and is causing the watermarking this potentially might lead to the timber frame of the house rotting in time. And will leave Ms J with far bigger problems in the future and that is likely to be after the policy has run out. I understand the point being made and I think it's fair comment. But I can't act on what potentially might happen, I can only deal with the complaint and the evidence in front of me. Based on that I can't ask NHBC to take further action at this point.

In view of the upset this has caused, and due to her concerns about potential future damage, I know that some work has been undertaken by Ms J. I note that details have been passed to NHBC and this service about the bottom of external doors to the property rotting. Ms J says is all part of the same problem linked to the low DPC and the roughcast. I'm not sure if there's a direct link here. Originally the point made was that the timber frame of the building might be compromised. But I can't make a finding on that as it is currently being debated between Ms J and NHBC. If a resolution can't be found, then this service can look at a follow up complaint.

### **My final decision**

I don't uphold this complaint.

I make no award against National House-Building Council.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 12 October 2021.

John Quinlan  
**Ombudsman**