

The complaint

Mr and Mrs R complain that National House-Building Council (NHBC) unfairly declined a claim they made on their ten-year building warranty policy.

What happened

In year five of the policy, Mr and Mrs R reported concerns with their garage's flat roof. They said the ply decking was lifting and it's loose from the joists. They noted this is causing the membrane to pull tight, which in time will be penetrated. They were also concerned about the ponding of water on the roof. They also highlighted there were hairline cracks in the mortar between the garage's brickwork.

During years 3-10, section 3 of the policy applies. Section 3 covers physical damage, subject to various conditions being satisfied.

NHBC completed a desktop review, based on photos, and it declined the claim. NHBC's claim investigator made the following findings:

- Whilst the timber board decking may not be fully secured, there's no damage to the membrane and no water ingress, and the decking hasn't failed to support normal loads. There's no physical damage to the home, so the issue isn't covered.
- Mr and Mrs R should monitor the situation and tell NHBC if damage occurs. Unless the decking actually fails to support normal loads, or damages the membrane and allows water ingress, then the roof is performing.
- The hairline cracking is consistent with thermal shrinkage and settlement, which is excluded by the policy.

Mr and Mrs R were unhappy with the findings. They said there were structural elements that needed to be resolved before the roof leaks, and someone could have a serious accident should the roof fail during general maintenance (such as cleaning windows, the roof and guttering).

Mr and Mrs R went on to provide a report from a roofing contractor. The report noted the ply decking was lifting and coming away from the rafters due to being unfixed in a few places, and this all needed to be replaced. However, NHBC maintained its claim decision.

Mr and Mrs R's complaint was considered by one of our investigators. She thought NHBC had fairly declined the claim. Mr and Mrs R remained unhappy, so their complaint was passed to me to decide.

I've already explained to both parties that I was intending to uphold the complaint about the garage roof. I thought NHBC should have investigated further, because Mr and Mrs R's report pointed towards there being physical damage by way of "*warped structural ply*".

In my correspondence with NHBC, I acknowledged there wasn't a lot of detail on the report about how the ply had warped or why it needs replacing. However, I said given the delays and the relatively low value of the claim, I wasn't persuaded it would be reasonable for NHBC to now inspect, or to ask for more information.

NHBC agreed to settle the garage roof based on Mr and Mrs R's quote, and to compensate them £150 for not exploring the warped ply commentary earlier. The fixed price period for Mr and Mrs R's quote ended in May 2021, so NHBC accepted it would need to allow for reasonable price changes.

I also explained to both parties that I wasn't intending to uphold the complaint about the hairline cracking in the mortar. Mr and Mrs R haven't submitted anything to dispute the damage has been caused by thermal shrinkage and settlement, and such damage is excluded by the policy.

Mr and Mrs R accepted the outcome for the roof and didn't comment further about the hairline cracking. However, they believed the £150 compensation was too low for the inconvenience caused. They thought a minimum of £500 should be awarded. They highlighted their safety concerns in respect of ongoing maintenance.

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 only matter still in dispute is the level of compensation. However, I've not seen or been told anything that would lead me to increase the £150 award.

As explained, in view of Mr and Mrs R's report, I consider NHBC ought to have done more to investigate the roof claim. I accept Mr and Mrs R were frustrated by NHBC's response, and they have been unable to carry out some routine cleaning and maintenance whilst the roof remains unrepaired. However, I'm not persuaded such matters caused them so much distress or inconvenience, they should be compensated £500.

I'm satisfied that by NHBC covering the roof repairs, and by compensating Mr and Mrs R £150 for the delay, a fair and reasonable outcome has been reached.

My final decision

For the reasons I've set out above, I uphold this complaint in part. My final decision is National House-Building Council should:

- settle the claim for the garage roof based on Mr and Mrs R's existing quote and reasonable price increases (should the updated quote be disputed a further complaint can be raised about that matter); and
- pay Mr and Mrs R £150 compensation

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs R to accept or reject my decision before 4 August 2021.

Vince Martin
Ombudsman