

## **The complaint**

Mr and Mrs G complain that National House-Building Council ('NHBC') unfairly declined their building warranty claim, for roof repairs.

## **What happened**

Mr and Mrs G have a ten-year building warranty policy covering their home. In year six of the policy, they made a claim for repairs they had already carried out to their roof. The repairs cost £1,260.

NHBC accepted the issue was covered by the policy, but it declined the claim on the basis the repairs hadn't reached the minimum claim value of £1,717.

Mr and Mrs G referred a complaint to our service. One of investigators thought the claim had been fairly declined. Because Mr and Mrs G remained unhappy, their complaint has been passed to me to decide.

## **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.

I appreciate Mr and Mrs G consider it unfair that their claim has been declined due to it not meeting the minimum claim value, and I can understand their upset in respect of their new home having issues. However, NHBC's policy terms are clear that for a claim to succeed, among other things, the repair costs must meet the minimum claim value. There isn't anything unusual about this policy feature.

NHBC wasn't, as Mr and Mrs G put it, responsible for checking the work of the builder. But rather, NHBC provides an insurance policy that covers certain issues, when its mandatory requirements (in respect of construction) haven't been met by the builder. Claims are subject to the various terms and conditions that apply.

The policy terms explain that the minimum claim value was £1,200 as of 1 April 2011, but this figure increases each year in line with the Royal Institution of Chartered Surveyors' House Re-building Cost Index.

The repair costs didn't meet the applicable minimum claim value at the time the claim was made in 2021. As such, I'm satisfied NHBC has fairly declined the claim.

## **My final decision**

I'm sorry to disappoint Mr and Mrs G, but for the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 24 December 2021.

Vince Martin  
**Ombudsman**