

The complaint

Miss H and Mr T complain that National House-Building Council (NHBC) has underestimated for work needed to their home. And its staff damaged a table worth £400 during an inspection and only offered £100. I have referred to Miss H throughout.

What happened

Miss H and Mr T bought a new home in 2018 and shortly afterwards raised a number of issues with the constructor. When the response proved to be inadequate, Miss H made a claim to NHBC and it sent a surveyor to inspect her home. This was within two years of their purchase of their home and NHBC considered the claim under the first part of their building guarantee policy that deals with issues identified within the first two years.

An inspection involving NHBC was held at Miss H's home in May 2021 and a cash offer followed. A new case was subsequently set up for defects not previously included in Miss H's claim and the builders were given until July 2021 to do the work. NHBC took over the claim by August 2021 and had made a cash offer by September 2021.

Miss H didn't think NHBC had identified all the defects in her home and said its schedule of works and costings were too low for her to get the work done. NHBC said it included all relevant items within its reports and acted within the terms of the warranty. Miss H said the contractors and NHBC took far too long to deal with her claim and this had added greatly to her stress. Miss H wasn't happy to be offered £100 compensation for her damaged table which she said was worth £400.

Our investigator didn't recommend the complaint be upheld. He said contractors used by insurers provide trade discounts unavailable to consumers. He said Miss H decided on a cash settlement for the work, but this was due to delays addressed on her previous complaint. He said NHBC had acted fairly by offering to consider quotes from Miss H.

The investigator said Miss H was paid £500 compensation for the delay up to October 2020. After this, due to illness Miss H waited until March 2021 to contact NHBC and it wasn't responsible for this delay. The investigator found there were no unreasonable delays by NHBC. He said NHBC increased its offer to £200 for Miss H's table which he thought was reasonable.

Miss H disagreed with the investigator and requested an ombudsman review her complaint. She said NHBC had caused delays by giving the contractors more time to complete the work.

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.

Miss H has also complained that faults she identified at her home weren't included in NHBC's reports, and that it had claimed inaccurately in its reports that items were completed, or not defective. She also complained about the time NHBC gave to the builders

to put things right. I have sent a separate decision about these parts of Miss H's complaint to say that they aren't regulated by the Financial Conduct Authority and so they aren't things that we can consider.

In the present complaint I have considered the other aspects of Miss H's complaint such as the work NHBC said is required to Miss H's home and cash settlement, delays caused by NHBC and her damaged table.

The policy held by Miss H is a standard new homes warranty policy provided by NHBC. The policy states; *'You are protected by the NHBC guarantee for what we (in a resolution report) or a court decides the builder should have done to meet their responsibilities under the builder warranty. If the builder does not meet these responsibilities, we will do so on their behalf. Or, if we choose to, we will pay you what it would cost us to have the work done'*.

I have looked at the reports provided by NHBC and they consider at some length the issues concerning Miss H about her home. In common with other insurers, NHBC may be able to obtain work from contractors at better rates than a policyholder. This may mean that Miss H wouldn't be able to get the work done at the costings provided by NHBC. NHBC's offer at these rates is in accordance with the terms of its warranty.

I'm pleased that NHBC has offered to consider any quotes that Miss H may obtain from contractors for the work to her home. If these show that it's going to cost her more to repair the items on the resolution report, I think it would be fair for NHBC to make a further contribution. As NHBC has already made this offer, I think it has acted fairly towards Miss H in this respect.

Much of the delays that Miss H complains about concern the contractors and I have said why I can't consider this. I have looked at the timeline of events to see if NHBC itself has caused avoidable delays. I think it's fair to say that meetings with Miss H could have happened more quickly, but overall, I haven't found that there were significant delays caused by NHBC.

NHBC has increased its offer for Miss H's damaged table to £200. She thinks it should pay £400. Unfortunately, there's no evidence that NHBC or contractors caused the damage to the table, and so I agree with the investigator that NHBC's increased offer of half its value is fair.

In conclusion, I can well understand Miss H's frustration about the time it has taken for the remedial work to her home to be carried out. However, since its previous response to her complaint and award of £500 compensation, I haven't found cause to say that NHBC was responsible for further delays or difficulties in dealing with Miss H's claim. And I think NHBC's offer to reconsider the costs of the work is fair to Miss H. In order to check the costs Miss H should obtain estimates from contractors for the tasks set out within the claim report and send these to NHBC.

My final decision

For the reasons I have given above it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H and Mr T to accept or reject my decision before 4 March 2022.

Andrew Fraser
Ombudsman

