

## The complaint

Mr and Mrs H complain that National House-Building Council trading as NHBC unfairly declined a claim made under their Buildmark policy.

## What happened

Mr and Mrs H bought their new home in 2016. In 2021 they discovered water marks on their ceilings and found that water had been escaping from both showers at the property.

They made a claim to NHBC but this was declined. NHBC said the leak was a plumbing issue and wasn't covered by the policy. Unhappy with NHBC's decision to decline the claim, Mr and Mrs H raised a complaint. NHBC didn't uphold the complaint, saying the initial decision had been correct and that the criteria under Section 3 of the Buildmark policy hadn't been met. They advised Mr and Mrs H to contact a plumber to rectify the issue.

Mr and Mrs H remained unhappy, so they referred their complaint to this service. Our investigator considered all the information provided, but didn't recommend the complaint be upheld. She said there wasn't a defect that had caused physical damage to the property – which was affecting the structural stability of their home and/or its weather tightness, as required by their policy.

Because Mr and Mrs H disagreed with our investigator's assessment, the complaint has now come 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.

Having done so, I've decided not to uphold this complaint. I'll explain why.

Mr and Mrs H's Buildmark policy covers them for various issues with their property and these are set out in the policy terms and conditions booklet.

As they bought their home in 2016 and made a claim in 2021, their claim was made during years three to ten after their property's completion date (or within the 8 years after the initial builder warranty period).

During this period, claims can only be made under Section 3 of the policy. But this section doesn't cover everything that could go wrong with a newly built home. The policy says this section applies:

*“if there is physical damage to your home because the **builder** failed to **build** the following parts of **your home** to comply with the **NHBC requirements**:*

*Foundations, walls, external cladding, curtain walling, external render and external vertical tile hanging, roofs, ceilings, balconies, load-bearing parts of the floors, flues, chimneys and access steps, to the **main structure**.*

*Staircases, floor decking and screeds, to the inside of the **main structure**, if they fail to support normal loads.*

*Retaining walls, if they are necessary for the structural stability of the **main structure**, if newly installed at the **completion date**.*

*Below-ground drainage for which **you** are responsible.”*

Whilst the above wording doesn't suggest the policy would appear to cover the issues Mr and Mrs H have had with their bathrooms, I've still considered whether the damage Mr and Mrs H found could be covered under Section 3. In doing so I've considered the photographs, invoices and all the other information Mr and Mrs H have provided.

Mr and Mrs H have said they were advised by a bathroom company that the damage was due to the tiles and grouting becoming compromised and that this had caused a leak behind the tile enclosure when the showers were being used in the two bathrooms. They've said they were also advised that this was due to poor materials and bad workmanship. I'm sorry to hear they encountered such a problem with their new home, and I appreciate it must have been worrying. I can also understand their frustration in having to renovate their bathrooms as a result.

But I'm afraid that problems with poor workmanship or materials in tiling and grouting bathrooms is not something that's covered by the relevant section of their policy. Section 3 generally covers damage caused by a defect which affects the structural stability or weather tightness of a new build. This is also mentioned in the policy booklet, which says that during the 8 years after the initial builder warranty period *“Your home is protected against structural problems”*.

Because the issue and damage caused by the bathroom leaks wasn't damage caused by a defect which affected the structural integrity of the home, I can't say NHBC acted unfairly in its application of the policy terms and in declining the claim.

I'm sorry to disappoint Mr and Mrs H, but for that reason, I'm afraid I won't be requiring NHBC to do anything differently here.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H and Mr H to accept or reject my decision before 5 August 2022.

Ifrah Malik  
**Ombudsman**