

The complaint

Mr and Mrs F complain National House-Building Council (NHBC) hasn't treated them fairly, following a claim on their building warranty policy.

What happened

Mr and Mrs F bought a new-build property, that was covered by a ten-year building warranty policy. The policy started in June 2008.

In February 2018, Mr and Mrs F reported an issue with their roof and an issue with cracking. NHBC went on to accept the claim for the cracking and completed repairs. This complaint only concerns the roof.

During the last eight years of the policy, *i.e.* years 3-10, section 3 covers 'damage' if caused by a 'defect' in the roof or its coverings. The policy defines 'damage' as physical damage, and it defines a 'defect' as a breach of any mandatory NHBC requirement at the time of construction.

For a claim to succeed it must also meet the minimum claim value, which increases each year in-line with the RICS House Re-building Cost Index. In February 2018, the minimum claim value was £1,564.

When making the roof claim, Mr and Mrs F provided a roof inspection report by a surveyor. In summary, the report set out the following:

- The bottom edges of the roof tiles appear to be retaining moisture due to the surface finish, or by water becoming trapped under the edge with capillary movement.
- The weathering of the tiles is premature, and they are in a far poorer condition than they should be after nine years. It appears the surface glaze has deteriorated, and the coarse finish is further slowing the discharge of rainwater across the roof.
- A small number of tiles had surface signs of erosion and pitting. Tile fragments were also found on the roof, which appear to be from damaged tiles and interlocking tile lap joints.
- The measurements taken from a neighbouring property suggest Mr and Mrs F's roof pitch is 16° (but that's dependant on the head lap of the tiles) and the tile pitch is 10.5°. The tile manufacturer's minimum pitch is 17.5°, but it's not clear if that's referring to the roof pitch or the tile pitch.
- A roof pitch of 16° is also below the 30° standard generally suggested by BS:5534. However, that code of practice also notes certain tile designs may be used below 30°.

- Fascias and exposed timber rafters at ridge level were found to be deteriorating in areas, with slight cracking around the joints between the rafters and fascia boards. The external timber elements should have regular maintenance carried out.

NHBC inspected the roof and identified 26 tiles with manufacturing defects. NHBC noted that there was no internal water damage. NHBC accepted the damaged tiles were covered under section 3, but it concluded the cost of replacing those tiles wouldn't meet the minimum claim value. Nonetheless, the tile manufacturer offered to replace the defective tiles for free.

Mr and Mrs F were unhappy with NHBC's claim decision. They pointed towards their own report and raised concern that the defective tiles were symptomatic of a more significant issue. They highlighted their surveyor's observations about the pitch of the roof, and his concern further tiles will also fail and need replacing in the future.

In response, NHBC explained it only considers damage that's apparent, which is limited to the 26 tiles.

The tile manufacturer replaced the 26 defective tiles. However, Mr and Mrs F say replacing those tiles didn't comprehensively address the issues. They say there was continuing rot and water damage to the soffits and the underlying roof structure; water ingress in the landing and a bedroom; and significant water marks down an external wall.

Mr and Mrs F say they had three roofers attend, who all concluded the external water marks were indicative of significant water ingress under the roof tiles. Two of the roofers also expressed concern the tiles were inadequate for the slope and pitch of the roof.

Mr and Mrs F also say, in January 2021, they had no option but to replace the roof. The work cost them £13,400. They say their roofer confirmed there was extensive damage to the roof and beneath the tiles, and this was due to water ingress that had been ongoing before their building warranty policy expired. They say their roofer also identified broken watergates, which are the side lap to tiles, where the adjacent tiles link together.

In August 2021, Mr and Mrs F contacted NHBC about its previous assessment of their roof claim and the £13,400 repairs. However, NHBC explained it was unable to assist because the further issues had occurred after the policy had ended.

Mr and Mrs F referred their complaint to our service. In summary, they made the following points:

- In 2018, NHBC weren't willing to carry out exploratory work to establish the extent of the underlying damage beneath the tiles, nor did its report refer to the rotting wood and soffits. NHBC also failed to consider the broken watergates, or whether that issue had caused water damage.
- NHBC failed to address their surveyor's concerns about the roof pitch and the suitability of the tiles.

One of our investigators considered the complaint, but she didn't think it should be upheld. Mr and Mrs F disagreed, so 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.

Mr and Mrs F's policy covers 'damage' if it's reported within years 3-10, *i.e.* before the policy ends. The damage must be caused by a 'defect', and the repairs must exceed the minimum claim value.

Mr and Mrs F say NHBC should have undertaken more extensive investigations in 2018, and had it done so, it would have identified an issue with the pitch of the roof, broken watergates, and water damage to the underlying roof structure. They say the necessary repairs would have exceeded the minimum claim value.

Roof pitch and weathered tiles

I accept Mr and Mrs F's roof inspection report pointed towards weathering above what would normally be expected, which it linked to an issue with the roof pitch and the suitability of the tiles. However, on the other hand, the tile manufacturer accepted the issue was a manufacturing defect with 26 tiles.

Even if there was a wider weathering issue beyond the 26 defective tiles and the weathering could reasonably be considered as 'damage', I've not seen anything that persuades me the weathering was due to the roof pitch or the use of unsuitable tiles (or any other 'defect').

Mr and Mrs F's roof inspection report relies on assumptions when suggesting the roof pitch is less than the tile manufacturer's minimum pitch, and it acknowledges certain tile designs can perform at less than the 30° standard. Therefore, I don't find it persuasive evidence there was a roof pitch issue.

Other damage

When considering a claim, NHBC ought to be considering whether the reported defects have caused hidden damage. However, that's not to say NHBC needs to undertake intrusive investigations for every claim, but rather, it should, in my view, take a proportionate approach based on the information available.

In 2018, no internal water damage was reported at Mr and Mrs F's property. Mr and Mrs F's roof inspection report didn't suggest any significant underlying damage had occurred either, and it linked the fascia and rafter damage to a maintenance issue. So, I'm not persuaded NHBC ought unreasonably to have investigated the underlying roof structure in 2018.

Equally, although Mr and Mrs F have provided the invoice for their roof, it doesn't comment on the damage or what caused the damage. I've not seen anything that supports damage existed to the underlying roof structure before the policy expired.

If Mr and Mrs F, or their surveyor, had reason to doubt NHBC's findings in 2018, it was for them to provide further information at that time to support their claim, such as evidence of the damage they allege existed to the underlying roof structure and the watergates. They can't reasonably return to NHBC some three years later, particularly having already replaced the roof.

My final decision

I'm sorry to disappoint Mr and Mrs F, 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 F to accept or reject my decision before 2 August 2022.

Vince Martin
Ombudsman