

The complaint

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

What happened

Mr and Mrs W made a claim on their building warranty policy for dropped flooring in areas of their home. NHBC accepted the claim in August 2021.

Mr and Mrs W complained about the delays that followed, and NHBC accepted there were about two months of delay before a contractor attended. In October 2021, NHBC issued a final response and paid Mr and Mrs W £200 compensation.

Mr and Mrs W went on to make further complaints. They complained NHBC hadn't provided alternative accommodation for their family during the repairs; about the communication between NHBC and its appointed parties; and about outstanding work.

In February 2022, NHBC issued a second final response. NHBC accepted it should have provided alternative accommodation and there were communication issues during the repairs. NHBC said it would assess the outstanding work and it offered a further £550 compensation. Mr and Mrs W remained unhappy, so in April 2022, they referred their complaint to our service.

In June 2022, NHBC told our service the inspections for the outstanding work had now been completed, and some of the issues raised were found valid. NHBC advised further repairs were scheduled in July 2022, and it noted no further complaints had been raised since its second final response in February 2022.

One of our investigators considered the complaint. She thought £750 was fair compensation for the issues that had arisen up to February 2022. Because Mr and Mrs W disagreed, their complaint has been passed to me for a final decision.

NHBC has confirmed its second compensation offer, of £550, hasn't been paid. This is because the second offer wasn't accepted by Mr and Mrs W.

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've only considered events up to 15 February 2022, *i.e.* the date of NHBC's second final response. If Mr and Mrs W are unhappy about events since February 2022, they need to make a further complaint to NHBC before our service can become involved.

When Mr and Mrs W referred their complaint to this service, they noted they had been left with a house that was damaged and poorly repaired, and the original issues all remained. However, I find NHBC's proposal of visiting their property to assess the outstanding work to be fair and reasonable.

NHBC has now carried out its proposed inspections. So, if Mr and Mrs W consider further compensation is due for the issues NHBC found valid, or if they consider issues remain unresolved, they need to put that complaint to NHBC first.

It's not disputed there were two-months of initial delay and poor communication during the repairs, or that alternative accommodation should have been provided whilst the property wasn't safe for young children. So, what I need to decide here, is whether £750 is fair compensation for the impact of those issues on Mr and Mrs W.

In respect of Mr and Mrs W's living arrangements during the repairs, I've seen they emailed NHBC on 6 December 2021. They explained, now the work had started, it was evident the property was unsafe for their two young children.

NHBC replied on 13 December 2021. NHBC said it would consider Mr and Mrs W's costs if they had decided to move out whilst their property wasn't safe. Mr and Mrs W noted they hadn't incurred costs as Mrs W and their children had moved in with family until their property was safe on 10 December 2021, but the matter had caused disruption and inconvenience.

As I understand it, Mr and Mrs W's home wasn't safe for their children for a period of five days, and they had to make last minute arrangements and rely on the goodwill of family. I accept the situation was inconvenient for Mr and Mrs W, and likely caused them some upset, particularly as Mr W was separated from Mrs W and their children. I accept the situation could have been avoided had NHBC considered the need for alternative accommodation from the outset.

Turning to the other issues, I accept the initial two-month delay and the poor communication during the repairs led to Mr and Mrs W having to chase matters. Mr and Mrs W have referred to a lack of clarity on the schedule of work and incorrect work being carried out. They have noted they have spent over 20 hours dealing with the issues and it's been very stressful. I don't doubt the delays and communication issues have caused inconvenience and frustration that could have been avoided.

However, I'm sorry to disappoint Mr and Mrs W, but for the inconvenience and upset I've described, and for the periods involved, I find £750 to be fair compensation. We haven't been made aware of any circumstances, or impact, that would lead me to increase the award.

As explained above, if Mr and Mrs W consider further compensation is due following NHBC's inspections, or if they are unhappy with events since February 2022, they need to complain to NHBC about those matters first.

My final decision

For the reasons I've set out above, I uphold this complaint.

My final decision is National House-Building Council should pay Mr and Mrs W a further £550 compensation (if it hasn't yet been paid).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs W to accept or reject my decision before 19 October 2022.

Vince Martin
Ombudsman