

## **The complaint**

Mr B complains National House Building Council (NHBC) declined to cover various costs.

## **What happened**

Mr B purchased a property. It came with a ten-year NHBC warranty. Mr B made various claims against the policy. He also raised complaints with NBHC. He referred some complaints to this Service. Two have been considered and resolved previously. I won't provide any detail of them here as it's not necessary.

In May and August 2023 Mr B raised further complaint points with NHBC. It issued responses in June and September 2023. Those responses addressed various concerns. I've outlined some, but not all, of them.

NHBC apologised for poor customer service, for not including certain items in a schedule of work. It declined Mr B's request for it to cover running, service and replacement costs of a positive input ventilation system (PIV) for the next 20 years. It said it hadn't recommended or installed the system. But it offered, as a gesture of goodwill, two years servicing costs. It said that system was adequate to provide ventilation and didn't accept further remedial work was required.

NHBC didn't agree to Mr B's request to extend the term of the warranty. It refused to contribute towards any increase in his home insurance premium. It did offer £500 compensation in recognition of some difficulties experienced with claim handling.

Mr B wasn't satisfied with the response so referred his complaint to the Financial Ombudsman Service. Our Investigator found NHBC's offers of £288 towards PIV servicing costs and £500 compensation to be fair and reasonable. She didn't recommend it extend the warranty, contribute to ongoing PIV costs or do anything more. As Mr B didn't accept that outcome the complaint was passed to me to decide.

NHBC also issued a complaint response in February 2023. I haven't considered matters addressed in that response as part of this decision. I consider our rules don't allow me to do so. Unless there are exceptional circumstances or the respondent gives permission, our rules don't allow us to consider complaints referred later than six months from the date of the final response letter.

On this occasion Mr B came to this Service in September 2023 – so more than six months from the date the February response was issued. The response explains we won't, in the event of a late referral, have NHBC's permission to consider the complaint. There weren't any exceptional circumstances that prevented Mr B from referring the complaint in time. I've seen he was in correspondence with NHBC during the six months, so would have been able to refer the complaint to this Service in time.

Further Mr B asked that this service review his full experience with NHBC across the previous four years or so. I haven't done that here. This Service has already considered complaints about earlier aspects of his claims with NHBC. It wouldn't be practical, or maybe

even possible due to our rules, for me to consider the full period of events he's requested be reviewed. Instead I've focused on what I consider to be the main concerns raised in his recent complaints.

Finally, as part of the background, Mr B requested NHBC cover various additional costs. It's now issued a complaint response for that request. That matter will be considered by this Service under a different complaint record.

### **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.

As this is an informal service I'm not going to respond here to every point or piece of evidence Mr B and NHBC have provided. Instead I've focused on those I consider to be key or central to the issue. But I would like to reassure both that I have considered everything submitted.

I'm not going to require NHBC to extend the policy terms beyond its original period. I've considered Mr B's arguments. He says some issues haven't been corrected or investigated. I can't comment on those issues as they don't form part of this complaint. There may be ongoing problems with the property, some of which may even be unknown. But I'm not persuaded NHBC's provided such a poor service that it would be reasonable to require it to extend the cover beyond the period originally agreed to, and paid for, by the builder.

I've considered Mr B's reasons for requesting NHBC cover ongoing costs associated with the PIV. These includes his argument that as its expert recommended he make use of the system, to maintain appropriate moisture levels, it should cover relevant costs. NHBC says it didn't recommend installation of the system in the first place. It also says servicing and maintenance costs aren't covered by his policy.

I understand Mr B's frustration with the ongoing costs involved. But I'm not persuaded maintenance or other ongoing cost are covered by his policy terms. Overall it wouldn't be reasonable to require NHBC to pay longer term costs of the PIV. In my opinion its offer to cover two years servicing is a fair compromise. So I'm not going to require it to pay anything extra.

Mr B also raised the possibility of the PIV reducing the value of his home. I haven't seen anything to confirm that's happened. And in addition, as NHBC has highlighted his policy states it will not be liable for any reduction in value of loss of value of his home. So I'm not going to require it to pay anything to cover any loss of value.

Mr B says his home insurance premium increased because of the warranty claim. If the claim has had that effect, I can't fairly hold NHBC responsible. It was the builder's defect that resulted in the claim, not any error by NHBC.

I've considered Mr B's account of the impact of recent events on him and his wife. I've taken account of reported medical conditions. I accept the experience with his property has been frustrating and inconvenient. It's important to note NHBC is the insurer, not the builder of the property. It isn't directly responsible for any defects in the build – instead its required to respond to them in line with the terms of Mr B's policy. I'm not persuaded NHBC's made errors in response to Mr B's claims or provided such poor service, relevant to the issues covered by this complaint, that justifies an award of compensation beyond the £500 already offered.

### **My final decision**

For the reasons given above, I require National House Building Council to (if it hasn't already) pay Mr B £288 for service costs and £500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 4 July 2024.

Daniel Martin  
**Ombudsman**