

## **The complaint**

Mr M and Mrs M complain that National House Building Council (NHBC) have unfairly handled a claim under their building warranty.

As Mrs M has been leading in this complaint, and for ease, I've referred to her throughout.

## **What happened**

The details of this complaint are well known to both parties, so I've summarised events. Mrs M held a NHBC warranty for her property which was built in 2013. In 2023 Mrs M submitted a claim to NHBC as the render on her property had failed. Following investigation NHBC accepted Mrs M's claim and made an offer to settle it.

Mrs M initially rejected NHBC's offer as she said the issue with the render was being caused by the window sills being too short and without this being resolved, the issue would occur again.

Mrs M was unhappy she hadn't received a response to her queries and so raised a complaint. NHBC issued a final response on 14 September 2023 where it apologised for not responding to Mrs M sooner and offered £100 compensation.

Mrs M raised a further complaint as she was unhappy NHBC hadn't agreed to replace the window sills as part of the claim settlement. She was also unhappy with the time it took for NHBC to deal with the issues she had raised. NHBC issued a final response on 4 March 2024. The complaint NHBC addressed within this final response is the subject of the complaint that has come to this service. NHBC said in years three to ten of the warranty, it would only provide cover for physical damage caused by a defect in the parts of the home listed in the warranty. It said the window sills were not listed as covered under the warranty and the length of the window sills wasn't physical damage. It acknowledged it took longer than it should have done to log the issues Mrs M had raised and offered £250 compensation.

Mrs M didn't think this was reasonable and so referred her complaint to this Service. Our investigator looked into things. He said he thought the relevant section of the warranty didn't cover window sills and there was no evidence the window sills amounted to a defect so he didn't think NHBC needed to replace them. He said he thought NHBC fulfilled its responsibility to pay for the damage it was liable to pay. He said he thought the compensation of £250 was fair.

Mrs M didn't accept our investigator's view. She said the window sills hadn't been built within NHBC standards and the issue was going to occur again in the future. She said whilst she acknowledged the window sills themselves weren't faulty as such, they were impacting the integrity of the building as they are too short and therefore the building was not watertight.

As Mrs M didn't agree with our investigator, the 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.

I want to acknowledge I've summarised Mrs M's complaint in less detail than she's presented it. I've not commented on every point she has raised. Instead I've focussed on what I consider to be the key points I need to think about. I mean no discourtesy by this, but it simply reflects the informal nature of this Service. I assure Mrs M and NHBC I've read and considered everything that's been provided.

I also want to make clear what I've considered as part of this decision. I've considered the complaint points NHBC have addressed in its final response of 4 March 2024 and not any matters prior to this. I've addressed the key issues separately.

### *Claim decision*

Mrs M's warranty provides different types of cover across the life of it. Section 2 of the policy covers the first two years after the build. And Section 3 covers the period that follows up to year ten.

In this case Mrs M's claim was accepted under section 3 of the warranty. This section provides cover for damage caused by a defect to certain parts of the home. And a requirement under this part of the warranty says the damage would need to be notified to NHBC within the notification period.

For this part of the policy the relevant notification period starts a day after the period of two years from the date the property build is complete and ends eight years later. NHBC have declined to include the replacement of the window sills under this section of the warranty as it says they aren't included in the parts of the home covered, and there isn't any damage to them.

I've considered the terms of the warranty. Section 3 states NHBC will put right any physical damage to certain parts of Mrs M's home caused by a defect. 'Defect' is defined in the policy as:

*'The breach of any mandatory NHBC Requirement by the Builder, or anyone employed by or acting for the Builder. Failure to follow the guidance supporting an NHBC Requirement does not amount to a Defect if the performance required by the NHBC Requirement is achieved by other means.'*

The areas of Mrs M's home which are covered by section 3 of the warranty are listed. I won't repeat them all here as both parties will be aware of them, but from what I've seen there is no part of the home specifically listed which window sills could reasonably fall into. In addition, from what I've seen there is no physical damage to the window sills themselves. And whilst Mrs M has said the contractors she has spoken to have said the window sills are too short, I've not seen evidence the length of the window sills is the cause of the render failure. Therefore I'm satisfied section 3 of the warranty doesn't cover the replacement of Mrs M's window sills.

Mrs M has said she believes the length of the window sills amounts to a defect. However Mrs M hasn't provided any evidence to show the length of the window sills breach any mandatory NHBC requirements and so I'm not persuaded the length of the window sills amount to a defect as defined by the terms of the warranty.

I've also considered section 2 of the warranty. This section of the warranty requires a defect to be notified to the builder within two years of the property build being complete. In this case it's evident this claim is being made at year ten. Whilst I recognise Mrs M has said she couldn't reasonably have known of such issues during this period, this doesn't extend the cover under section 2 of the warranty. I'm satisfied it was reasonable for NHBC to consider Mrs M's claim under section 3 of the warranty only.

### *Customer Service*

Mrs M has said NHBC put unreasonable pressure on her to accept the settlement it had offered. She also thinks she has been disadvantaged as NHBC didn't record the issue with the window sills as a new claim and it is now too late for her to do so.

Based on the evidence provided I don't think NHBC put unreasonable pressure on Mrs M to accept the settlement it had offered. Whilst Mrs M had concerns about the settlement, I'm satisfied NHBC allowed Mrs M to raise these concerns and continued to consider this even once the settlement had been accepted. I can see it also said Mrs M could approach her own contractors to provide quotes which it could then review.

NHBC have considered the issues Mrs M has reported with the window sills as part of the existing claim rather than recording this as a new claim. As NHBC have still considered the issues Mrs M has reported, I don't think she has been disadvantaged by it doing so as part of the existing claim rather than as part of a new claim.

NHBC have acknowledged it took longer than it should have done to address the issues Mrs M reported to it in December 2023. It has offered Mrs M £250 compensation as an apology. I think it would have been distressing for Mrs M to have to wait longer than she should have done to receive a response to the issues she had raised, particularly given the outstanding damage to her property. However I think the £250 compensation NHBC offered appropriately takes into consideration the impact this delay had on Mrs M and so I won't be requiring it to offer anything further.

### **My final decision**

National House Building Council has already offered to pay £250 compensation and I think the offer is fair in the circumstances. So my decision is that National House Building Council should pay Mrs M £250 compensation if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M and Mrs M to accept or reject my decision before 10 February 2025.

Andrew Clarke  
**Ombudsman**