

The complaint

Mr and Mrs G complain that National House-Building Council (NHBC) has unfairly declined their building warranty claim.

What happened

Mr and Mrs G bought a new-build property that's covered by a ten-year building warranty policy. The cover started in 2018.

In 2024, Mr and Mrs G made a claim for damp and mould around their windows, along with several installation issues. They also claimed for a blown pane of glass in their French doors.

During years 3-10 of the cover, Section 3 applies. Section 3 covers physical damage to the home, if caused by a failure to meet NHBC requirements when building certain parts of the home (those covered parts are listed in the policy terms). A claim must also meet the minimum claim value ('MCV').

NHBC declined the window issues on the basis window frames aren't one of the listed parts that are covered by Section 3. Glazing panes (as opposed to frames) are listed. As such, NHBC asked Mr and Mrs G to obtain a quote for replacing the blown pane so it could consider whether this part of the claim meets the MCV.

Mr and Mrs G brought their complaint to our service, but one of our investigators didn't think it should be upheld. Because Mr and Mrs G remained unhappy, 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.

I understand why Mr and Mrs G are unhappy. However, what I must decide here is whether NHBC has fairly applied the policy terms. I'm sorry to disappoint Mr and Mrs G, but I'm satisfied NHBC has done so when considering their Section 3 claim. I'll explain why.

For a Section 3 claim to succeed, there must be physical damage. The damp and mould are physical damage. However, that damage must also be caused by a failure to meet NHBC requirements when building a part of the home listed in Section 3. The declined issues all relate to the installation of the window frames or their parts, such as vents. Unfortunately, window frames aren't listed, only their glazing panes. As such, I'm satisfied the declined issues were fairly declined.

I'm mindful that Mr and Mrs G also raised issues with their windows and doors during years 0-2, but in relation to drafts. During the first two years, Section 2 applies.

Under Section 2, the original builder is responsible for remedying any failures to meet NHBC requirements that are identified during years 0-2, along with the resulting damage. However, NHBC will provide its resolution service, and if the builder doesn't comply with the required actions (as set out in the resolution report), NHBC becomes responsible for those actions.

It's quite possible that the installation, damp, and mould issues are linked to the original draft issues. However, under Section 2, NHBC is only responsible for actions that are outstanding from its resolution report. I haven't seen any suggestion there are actions outstanding, but if Mr and Mrs G believe there are, they should follow up with NHBC in the first instance.

In conclusion, in respect of the Section 3 claim, I'm satisfied the window installation issues, and damp and mould, were fairly declined. I'm also satisfied that it's for Mr and Mrs G to demonstrate to NHBC the cost of repairing the blown pane meets the MCV.

My final decision

For reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs G to accept or reject my decision before 11 March 2026.

Vince Martin
Ombudsman