

The complaint

Mr and Mrs C complain about the way National House-Building Council (NHBC) handled a claim they made on their building warranty for several issues with their home.

Mr C has been the main correspondent for the claim and complaint. As such, I've referred to him only in the body of this decision.

What happened

Mr and Mrs C have a new build property which has a ten-year NHBC warranty. The policy started in 2022. Within the first two years of the policy, Mr C raised a number of issues with the property with the developer. Unsatisfied with the developer's handling of matters, Mr C made a claim to NHBC in July 2024.

NHBC considered the claim under section two of the policy, since the issues had been raised to the developer within the first two years. NHBC offered a resolution service, and its report dated November 2024 addressed three issues relating to:

- The cavity wall system,
- Issues with foul drainage system,
- Issues with the land drainage system.

NHBC directed the builder to undertake actions relating to the cavity wall system and the foul drainage system, but it didn't direct the builder to do anything in relation to the land drainage system.

In January 2025, with the actions being completed by the developer by the deadline set, NHBC carried out another resolution report. This directed the developer to open up brickwork to inspect the insulation. It didn't direct the developer to take any further action relating to the foul drainage as it considered the issue had been resolved.

Unhappy with how matters were progressing, Mr C complained. On 14 March 2025, NHBC issues its final response letter (FRL). The complaint related to NHBC's handling of matters relating to the cavity wall and foul drainage system, but also that NHBC was refusing to assist with what Mr C says are serious issues with land drainage and a lack of flood provision. NHBC was satisfied it had handled matters fairly. It said it would look at further issues relating to foul drainage at the next arranged visit on 25 March 2025.

Mr C was unsatisfied with NHBC's response and so referred his complaint to the Financial Ombudsman Service for an independent review.

Our Investigator didn't think we could consider Mr C's complaint about NHBC not taking action in relation to the land drainage issue. She said the resolution service is not a regulated activity, and as such we have no power to look at complaints relating to that service unless a report has been completed, it directed a builder to do something by a deadline and the builder failed to complete the work by the deadline set or is insolvent. She was satisfied she could review NHBC's handling of matters relating to the cavity wall insulation and foul drainage system. She said that was because NHBC had required the developer to take actions by a certain deadline, and that deadline hadn't been met. As such, she was satisfied that the insurance-backed element of the warranty had come into place for those complaint issues at that point. Our Investigator then issued her findings on those complaint points separately.

Mr C didn't accept the outcome relating to the land drainage system. He said he wanted this Service to consider the failure of NHBC to address damage caused by the non-provision of flood protection to the plot. As such the matter came to me to decide.

I've already issued a decision setting out the parts of this complaint that this Service cannot consider, which I found to be the complaints about the land drainage system and the foul drainage.

I've also already set out my findings in respect of matters I'm satisfied this Service can consider, which is the cavity wall insulation issue, since that became a regulated activity. I said that the complaint relating to the cavity wall system came within our jurisdiction on 19 February 2025. NHBC's FRL was issued on 14 March 2025. I'd seen nothing which persuaded me NHBC had acted unreasonably within that timeframe. Having taken on the claim for the cavity wall insulation NHBC had booked in a visit for 20 March 2025. I considered that a reasonable next action for NHBC to take.

I also said whilst I know Mr C is deeply unhappy about the state of the home and the actions of the developer, I have no power to consider a complaint against the developer. And I can only review NHBC's actions connected to regulated activities. So there is really only a very short window of time I had considered. I also set out it isn't the role of this Service to investigate, on a wide scale, any alleged fraud or cover up between NHBC and the developer. This Service can only consider complaints on an individual basis, where they fall within our jurisdiction to do so. I also set out that I'd only reviewed matters up to the date of NHBC's FRL of 14 March 2025. I said if Mr C is unhappy with how NHBC has handled matters beyond that date, he can make a further complaint which this Service may be able to consider, subject to our usual rules.

In response to my provisional findings, NHBC said it accepted them. Mr C provided some documents which he said would be forwarded to the police for review.

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.

Having reviewed matters again, I see no reason to depart from the findings set out in my provisional decision in relation to NHBC's actions relating to the cavity wall insulation, from the point it became a regulated activity. Whilst Mr C has provided many documents to this Service in response to my provisional findings, none of them persuade me that I should direct NHBC to do anything differently to that which it set out it would do in its complaint final response letter of March 2025. I need to make clear that the only period I've considered its NHBC's actions in relation to the cavity wall insulation from 19 February 2025, until the date of NHBC's final response letter of 14 March 2025.

If Mr C has any further issues with NHBC after this date, he may be able to complain to our Service (once NHBC has had an opportunity to answer to the complaint) subject to our usual rules.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 19 January 2026.

Michelle Henderson
Ombudsman