

The complaint

Miss A has complained about the way National House-Building Council (“NHBC”) has handled claims she’s made under her building warranty.

What happened

Miss A bought a newly-built home in 2019, which came with a NHBC Buildmark warranty.

In 2023, she made a claim under the warranty when she noticed water coming into her property through the ceiling. NHBC accepted the claim and issued a report, saying the damage was consistent with a failure to build in accordance with its technical requirements. It said the tiles were uneven to the side of the roof window and there was also evidence of broken tiles. It repaired the damage.

But in November 2024, Miss A noticed water coming into her home again, from the roof. NHBC didn’t accept the claim, saying the leak was occurring beneath replacement tiles and it couldn’t ascertain who had replaced them. Miss A was unhappy about this, as she said all work to her roof had been carried out by NHBC and its contractors. NHBC also said the claim didn’t meet the Minimum Claim Value under the policy.

At this point it became clear that the roof tiles used were incorrect and weren’t suitable for the pitch of the roof at the property. Miss A made a complaint as she strongly believed both instances of water ingress had been caused by the builder’s use of the incorrect tiles. NHBC said, in its response to the complaint, that it accepted that it hadn’t investigated the claim thoroughly and would be reinvestigating. It also accepted that its own contractors had replaced the tiles and offered Miss A £100 compensation for the trouble and upset caused to her.

Miss A didn’t accept NHBC’s response, so she referred her complaint to the Financial Ombudsman Service. Our Investigator considered the complaint, but didn’t think it should be upheld. The Investigator told the parties that there was insufficient evidence that the use of incorrect tiles for the roof pitch was the cause of the water ingress.

As Miss A didn’t accept our Investigator’s conclusions, the complaint was referred to me for an Ombudsman’s decision. I issued my provisional decision on 17 December 2025 and I’ve included an extract from it below.

“As this is an informal service, I’m not going to respond here to every point raised or comment on every piece of evidence Miss A and NHBC have provided. Instead, I’ve focused on those I consider to be key or central to the issue in dispute. But I would like to reassure both parties that I have considered everything submitted. And having done so, I intend to uphold this complaint in part. I’ll explain why.”

The insurance industry regulator, the Financial Conduct Authority (FCA), has set out rules and guidance about how insurers should handle claims. These are contained in the ‘Insurance: Conduct of Business Sourcebook’ (ICOBS). ICOBS 8.1 says an insurer must handle claims promptly and fairly; provide reasonable guidance to help a policyholder make

a claim and give appropriate information on its progress; and not unreasonably reject a claim. I've kept this in mind while considering this complaint together with what I consider to be fair and reasonable in all the circumstances.

Miss A's Buildmark policy says it will cover, under Section 3, damage caused by the builder's failure to build the home to meet requirements. This means that in order for there to be a successful claim, the damage to the property must be caused by a failure to comply with NHBC's mandatory requirements in one of the parts of the property listed in Section 3 of the policy – and "roofs" are listed here. The claim must also exceed the "Minimum claim value".

It's not in dispute that there's a defect in the construction of Miss A's home – namely, that the builder used the wrong tiles for the pitch of the roof. Both parties now agree on that fact, although this wasn't something NHBC accepted early on in Miss A's claim journey as I can see from early correspondence in 2023 that NHBC sought to persuade Miss A that the tiles used were suitable. But it's not enough for there to be an identified defect, if that defect hasn't caused the damage in question. So in order to determine whether the water ingress into Miss A's home was caused by the builder's use of the wrong tiles for the roof pitch, I've looked at the expert evidence available.

NHBC's investigation reports dated 15 June 2023, 18 December 2024 and 29 January 2025 aren't particularly detailed or persuasive. I say this because the commentary relating to the cause of damage in each report is brief and although the reasoning is supported by photos, some of the commentary in the reports isn't accurate.

In the 2023 report, although the claim is accepted, the usage of the incorrect roof tiles isn't identified. I consider this was a failing on NHBC's part and this defect should've been recognised and investigated at this stage, as it was the earliest opportunity to do so. And I think it's likely that the missed opportunity here to investigate thoroughly was linked to the recurrence of water ingress. I've kept this in mind when considering a suitable level of compensation in this case.

In the 2024 report, the claim wasn't accepted because NHBC said it couldn't ascertain who had replaced the tiles which had caused the leak. It said both Miss A and the contractors who worked on the roof denied replacing the tiles. But I'm satisfied from Miss A's testimony, which has been consistent, plausible and persuasive, that the only remedial work carried out to her roof has been conducted by NHBC and its contractors. So I'm not persuaded this report shows a thorough investigation was carried out. I've also kept this in mind when considering compensation.

In the 2025 report, the claim was declined because the damage was said to be due to water tracking from the roof window flashing under the tiles and the flashing was repaired. The claim didn't meet the Minimum Claim Value – but at this point NHBC had accepted that its own contractor replaced the tiles and that the tiles were wrong for the roof pitch.

I've also considered Miss A's roofer's comments. Although these are also brief, Miss A's roofer considers the water ingress to be a direct result of the incorrect tile usage on the roof. I'm not particularly persuaded by the comments as they aren't supported by photos or any detailed reasoning – but I'm more persuaded by the fact that there have now been repeated incidents of water ingress to Miss A's roof, which I think weren't investigated thoroughly and would not have recurred if they had been investigated thoroughly.

I also think the service provided by NHBC could've been better. And that this has caused Miss A considerable distress, inconvenience, frustration and disruption over a prolonged period, for which she should be compensated. I can tell from Miss A's correspondence with NHBC just how much the daily worry that her roof was defective has affected her. So I think

NHBC should increase the amount of compensation for this complaint – and that Miss A should have some reassurance that the issues NHBC identified with her roof, which it says were causing the water ingress, have been properly rectified.

I think NHBC can give her this reassurance and I'll explain how. I'd expect the repairs carried out to Miss A's roof to have been lasting and effective. I'm pleased to hear Miss A hasn't had further instances of water ingress – but I understand that knowing her roof is defective is causing her considerable anxiety. So I propose that for the remaining period of policy cover, if Miss A experiences any further water ingress from her roof, NHBC should appoint and pay for an independent expert with suitable qualifications (from three experts chosen and put forward by Miss A) to inspect any damage and issue a detailed report into the cause of the damage – with supporting photos and with commentary in particular about whether the incorrect roof tiles have caused the issue or not. Both parties will then need to accept the findings of the independent expert.

If there is any further disagreement, Miss A will be able to raise a complaint with NHBC in the first instance, and she may then be able to refer that complaint to this Service, subject to the usual rules and time limits that apply...

...To put things right for Miss A, I intend to require National House-Building Council to increase the amount of compensation it's offered for this complaint to £750. I think this reflects the impact of NHBC's actions on Miss A.

And in the event that Miss A experiences any further water ingress through her roof during the policy term, it should appoint and pay for an independent expert with suitable qualifications (from three experts chosen and put forward by Miss A) to inspect any damage and issue a detailed report into the cause of the damage – with supporting photos and with commentary in particular about whether the incorrect roof tiles have caused the issue or not. Both parties will then need to accept the findings of the independent expert."

Miss A responded to my provisional decision. In summary, she said:

- She was concerned that NHBC would treat another instance of water ingress from the roof as a separate unrelated incident. And she asked for clarity on whether my recommendations would apply to water ingress from any part of the roof or just the two areas which experienced water ingress previously.
- She was concerned about the period of validity of my proposal and about water ingress occurring outside the warranty period, but it potentially being confirmed by an expert she employs that the ingress is due to defective roof tiles being the wrong tiles for the roof pitch.
- She's concerned about loopholes NHBC could use to decline a similar claim in future, for example, even if an independent expert confirms the roof tiles have caused the water ingress, NHBC will say the damage to her property happened for a different reason.
- She was grateful for the increased compensation to reflect the distress she had experienced for the past year.

NHBC also responded to my provisional decision. In summary, it said:

- NHBC's role as an insurance company was not to identify all possible defects and they would only visit to investigate a reported issue.
- It considered the £750 compensation recommended to be excessive, as it felt the only instance of poor service was at the December 2024 visit, during which an insufficient investigation was carried out, and as a result, a further visit was required.
- If there were any further instances of water ingress during the remaining period of

cover, one of NHBC's claims investigators would visit the property to assess the situation, as it felt NHBC had the necessary expertise in house and appointing an independent expert would delay matters for Miss A.

As the deadline to provide further information has now passed, I've considered the additional points raised and I've now reached a final decision.

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 considered the additional points raised by both parties, I will not be departing from my provisional findings. I'll explain why:

- Miss A has asked whether my provisional directions extend to all areas of her roof. As I mentioned in my provisional decision, NHBC will need to appoint an independent expert if Miss A experiences any further water ingress through her roof. This is because a defect has been identified with the tiles used and this has, by at least one expert, been cited as the cause of water ingress. But as there has been ongoing disagreement about the cause of previous incidents, to ensure a fair assessment is made of any further damage, I think an independent review is the best way forward, if further water ingress occurs through the roof and during the policy period.
- Miss A has asked about water ingress that occurs after her cover ends. I don't make any direction in relation to this, as the warranty is in place for a certain time only, and I see no reason for cover to extend beyond the warranty period. Building guarantees aren't designed to cover problems for an indefinite period of time. Whilst I appreciate what Miss A has said, and agree that there is a clear defect that's been identified, the warranty will only respond if damage is caused by a failure to meet mandatory requirements, within the policy term.
- Miss A has concerns that NHBC will treat any new claim for water ingress through the roof as a separate incident to the previous reported instances. I think NHBC would be entitled to do that, because I can't say at this stage, whether any such future claim would be directly related to the issues Miss A has had before, without an independent expert's opinion. It's not my role to make NHBC accept and settle any claim, regardless of the cause of the water ingress. That's why I've said an independent expert should be appointed to investigate the cause and tell the parties whether or not it should be covered by the terms of the warranty.
- Miss A has asked whether NHBC will need to accept whatever cost the appointed surveyor charges or whether it can object. The cost of an independent expert should be reasonable, and in line with fair market rates. If NHBC has any issues with the experts put forward by Miss A then it will need to clearly explain why.
- Ultimately, this outcome is intended to ensure a fair assessment is carried out, independently of both parties, if Miss A experiences any further water ingress through her roof. Whilst a defect with her roof tiles has been identified and isn't in dispute, the policy doesn't just provide cover for any defects. For the policy to engage, the damage to the property must be caused by a failure to comply with NHBC's mandatory requirements in one of the parts of the property listed in Section 3 of the policy. Insurance policies aren't designed to cover every eventuality or situation. An insurer will decide what risks it's willing to cover and set these out in the terms and conditions of the policy. A successful claim has to meet all the

requirements set out in those terms.

- I've explained why an independent expert's report will be the best way forward for both parties, but I'd like to address NHBC's concerns about this direction. It's said it has the required expertise in-house to investigate matters, but having looked at the reports it produced, I don't think these went far enough to deal with what is clearly a more complex issue than the reports suggested. A defect in the type of tile used was eventually identified, but this major defect was missed by NHBC when water first entered the property. I would've expected a competent surveyor to notice a significant issue such as defective tiling, at the earliest opportunity, even if that wasn't the reported concern, because the issues are so closely linked. And I think Miss A's loss of trust in NHBC's own investigations is therefore understandable.
- The increase in compensation I'm awarding isn't for one mistake. In my view, there were numerous errors here by NHBC, from the very start of Miss A's claim journey. Miss A had to employ her own experts, had legitimate ongoing concerns about water entering her property after site visits weren't conducted in a satisfactory manner, had to deal with what she felt was an unprofessional agent's overfamiliarity with the builder at one of the site visits, and had to correct NHBC a number of times, including regarding who had replaced a tile, and also regarding the unsuitable nature of the tiles used by the builder, which NHBC didn't initially accept. I'm persuaded that the impact of those errors on Miss A was significant – and £750 compensation is in line with our usual approach in cases where mistakes have caused significant worry and disruption, requiring a lot of extra effort to sort out, and where the impact has lasted several months.
- I'm not persuaded by NHBC's point that the appointment of an independent expert will delay matters for Miss A. Miss A will need to put forward names in a timely manner if she wants an expert to assess any further cause of water ingress through her roof. And I haven't been provided with sufficient reasoning as to why NHBC considers a third-party company would delay conducting an inspection and producing a report if they've been employed to do so. Miss A welcomes this step, as the potential involvement of an independent expert gives her some reassurance of a fair process going forward. Of course, it is hoped by all parties that the issues with Miss A's roof have been fixed and that repairs will be lasting and effective, and that there will be no further damage to her home as a result of the defective tiles.

Putting things right

National House-Building Council should:

- Pay Miss A £750 compensation for the distress and inconvenience she's experienced, which includes the £100 NHBC offered previously. It should therefore increase its offer by £650 for the reasons I've explained above.
- In the event that Miss A experiences any further water ingress through her roof during the remaining policy term, appoint and pay the reasonable costs for an independent expert with suitable qualifications (from three experts chosen and put forward by Miss A) to inspect any damage and issue a detailed report into the cause of the damage – with supporting photos and with commentary in particular about whether the incorrect roof tiles have caused the issue or not. Both parties will then need to accept the findings of the independent expert.

My final decision

My final decision is that I uphold this complaint and I direct National House-Building Council to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 10 February 2026.

Ifrac Malik
Ombudsman