

## **complaint**

Mr and Mrs E say that the National House-Building Council (NHBC) unfairly declined their claim under their building warranties policy.

## **background**

Mr and Mrs E bought a house sometime in 2017. They say that shortly after moving in they noticed some slates missing from the roof. Sometime later, they noticed more tiles had come off the roof following some moderate winds.

Mr and Mrs E contacted NHBC to see if their policy covered the repair work, but were told it wouldn't meet the Minimum Claim Value (MCV) of the policy. So they paid around £600 to get the work done themselves.

Following the work, Mr and Mrs E say they experienced extreme roof chatter after some more moderate to high winds. They found some shattered slates along the roof and asked two contractors to investigate and provide a report.

Amongst other things, both contractors stated the slates were suffering from pyrites, were ungraded and uneven. They also noted the roof lacked valley boards to support the valleys. And both contractors concluded the roof required substantial repair work – essentially replacing the roof to fit the valley boards and replacing the ungraded and uneven tiles.

Mr and Mrs E think that NHBC should cover the cost of replacing the roof.

NHBC say the claims investigator who visited the property couldn't find any evidence of physical damage caused by any defects, where the cost of repairs would exceed the MCV of the policy. So they won't cover the claim.

Our investigator looked into the complaint and didn't think NHBC should do anything further. He agreed with all parties that there was a defect in the roof due to the lack of valley boards. But he said that the circumstances meant it didn't satisfy the criteria for claiming under the policy. So he thought that NHBC had assessed the claim fairly.

Mr and Mrs E disagreed with the outcome. They said that valley boards were a mandatory requirement under the building regulations and so the claim should be covered.

Mr and Mrs E requested for the complaint to be looked at again, so it's been passed to me to make a decision.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, I won't be upholding this complaint and I'll explain why.

It may help to explain what aspects of Mr and Mrs E's complaint I am able to consider. Mr and Mrs E have said the building is in breach of the regulations because it lacks valley boards. It is not for me to decide whether the building meets general regulations. Instead, it is to see if the insurer acted fairly or not in the declining the claim, under its policy terms.

I can see our investigator has already recommended alternate courses of action to Mr and Mrs E for this, so I won't cover that here. What I will consider is the evidence provided by both parties about the condition of the roof against the terms and conditions of the policy. And I'll see if NHBC has assessed the claim fairly, whilst treating Mr and Mrs E fairly and reasonably too.

Mr and Mrs E claimed under a building warranties policy provided by NHBC. The policy covers problems with a newly constructed home that can be linked to a breach by the builder of one or more of NHBC's technical requirements. And the value of this claim needs to exceed the MCV of the policy. NHBC's own technical requirements are not the same as the building regulations, so it will be the technical requirements on which I base my decision.

I've considered the policy document that relates to Mr and Mrs E's policy. The policy terms in Section 3, (which covers years 3 to 10 after the property is completed) state what NHBC will pay for:

*"the full **cost**, if it is more than £1000 **indexed**, of putting right any actual physical **Damage** caused by a **defect** in any of the following parts of the house..."*

This term goes on to cover *"Tile and slate coverings to pitched roofs"*.

The policy defines a *defect* as a breach of any mandatory NHBC requirement by the builder or anyone employed by him or acting for him. And it defines *damage* as physical damage to the home caused by a defect.

I now need to consider if the evidence provided by Mr and Mrs E, the two contractor reports, and the NHBC reports satisfy all of the above criteria.

All parties have agreed there appears to be a defect with the roof concerning the lack of valley boards. I don't think this is in dispute. And it's possible from what I've seen that the slates may be defective too. But I don't think this makes a difference to the outcome of the complaint. I say this because in order to uphold the complaint I'd need to be satisfied the defects had caused physical damage to the property. And I'd also need to be satisfied that the cost of the repairs for the damage exceeded the MCV of the policy.

And having carefully considered all the evidence, I haven't seen sufficient evidence of physical damage to the property. I do appreciate Mr and Mrs E paid out for some repair work to be done to the roof. But this amount falls short of the MCV on the policy. And I haven't seen anything to suggest that further repair work is required at this stage for any physical damage.

I do appreciate that my decision will come as some disappointment to Mr and Mrs E. But after having carefully considered all the evidence, I think that NHBC assessed the claim fairly. So I'm not going to ask it to do anything more.

**my final decision**

My final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs E to accept or reject my decision before 26 December 2018.

Dan Prevett  
**ombudsman**