

## **The complaint**

Mr N has complained about the poor service he received from ARAG Legal Expenses Insurance Company Limited trading as DAS Legal Expenses Insurance Company Limited ("DAS") when his car broke down abroad.

## **What happened**

Whilst Mr N was driving in Italy in early October 2024, his vehicle's engine management light came on. He continued to drive, as he was on the motorway, until the overheating warning light also appeared. He pulled over and consulted the user manual, which indicated that a battery warning could lead to the engine overheating.

Mr N contacted his roadside assistance provider, DAS, and although he was informed that help would be on the way, he says he waited almost an hour for the recovery driver to arrive. Mr N explained to the recovery driver that it was an alternator issue, not just a battery problem. However, the recovery driver told Mr N his car would be fine now that he'd charged the battery, and that he could drive home, advising him to avoid the motorway.

Mr N says he reluctantly attempted to drive the vehicle. Almost immediately, smoke began to come out of the exhaust. So the recovery driver told Mr N to leave the car and get a taxi home. He says the recovery driver refused to take Mr N to a garage so Mr N felt he had no choice but to pay €75 for a taxi home, in cash.

The next day, Mr N rang DAS again to arrange pick up of the vehicle. He had told DAS to use his partner's Italian phone number as the primary contact. He was assured this would be noted.

Mr N says he was told assistance would arrive within 60-90 minutes. It didn't – and Mr N received a phone call but there was no one on the line. He waited several hours for a recovery vehicle, and no one had attempted to phone the Italian number he'd given, during that time. Mr N had to make repeated calls to DAS, to no avail. He was later informed that the contractor had claimed he'd refused recovery to a garage and had wanted to be taken home, which Mr N says wasn't the case as he hadn't even spoken to the contractor that day.

The following day Mr N arranged for his vehicle to be recovered privately. He says this took him over three hours and added further stress, time and cost.

Mr N then arranged a rental car for himself as he found DAS wasn't confirming when or if one would be provided. He also had to travel by train and collect and return the hire vehicle himself, which caused further inconvenience, whilst he was meant to be enjoying a family holiday. It was not until the following week that he was able to retrieve his car from the garage after another long journey.

Mr N said DAS later acknowledged that the contractor they use in Italy had been extremely problematic, which caused him further concerns as he understood the contractor had even billed DAS for attempts to recover the vehicle which never took place.

Mr N made a complaint to DAS. In its response, it acknowledged there were failings and offered Mr N £150 for the distress and inconvenience caused. Mr N didn't accept this, so he referred his complaint to this service.

Our Investigator considered the complaint, and thought £150 wasn't sufficient to compensate for what had happened to Mr N, so she recommended DAS pay Mr N a further £150, bringing the total compensation amount to £300.

Mr N didn't consider this amount of compensation adequately reflected the fact that DAS's actions had ruined his family holiday, had affected him professionally as he was also working whilst on holiday, and that he was left in what felt like a dangerous situation in an unfamiliar location, which was a frightening experience for him. Because he didn't agree with our Investigator's recommendations, the complaint has now come to me for an Ombudsman's 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.

As this is an informal service, I'm not going to respond here to every point raised or comment on every piece of evidence Mr N and DAS 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'm upholding this complaint in line with our Investigator's recommendations. I'll explain why.

I've checked the terms and conditions of Mr N's European Motor Assistance Gold policy with DAS. The policy provides roadside assistance, roadside repairs, a recovery service, a get-you-to-your-destination service, as well as other benefits. But it's clear from the evidence I've seen, including Mr N's own testimony, that DAS didn't provide the service it agreed to provide and which Mr N quite rightly expected.

There were a number of failings on DAS's part. These included a failure to recover the vehicle to a repairer, a failure to transport Mr N to a destination, a failure to provide a hire car, a failure to communicate effectively – for example by contacting the Italian phone number as Mr N had requested, and the lack of responsiveness and updates resulting in Mr N having to chase DAS several times without luck. There were long delays throughout the process and Mr N was also concerned about DAS's failure to enforce service quality through its use of known inadequate providers, as it had accepted that its appointed contractor was unreliable. I accept everything Mr N has said about the experience and I don't doubt that this was an incredibly frustrating, distressing and disruptive time for him and his family.

Mr N has said he was not only impacted personally but professionally as well. We don't usually compensate for loss of earnings on an hourly basis for example, but I've taken this into account in making my decision.

Mr N has said it is fortunate that he didn't have his children with him on the night, and that he also had family nearby to help – otherwise he would have incurred substantial taxi fares. It wouldn't be appropriate for me to compensate for a hypothetical situation such as a situation in which he'd had his children with him when the car broke down. Or a situation in which he didn't have family to help and incurred more taxi charges than he did. But I've taken into account the impact of everything that did happen.

Mr N has said £300 compensation isn't sufficient for the severe disruption, distress and

inconvenience DAS caused. He says this effectively means he's only being compensated £50 for the poor service he received, as the policy cost him £250 for the year. But I don't agree with this – as compensation is an entirely separate matter to a policy premium. Through his policy premium, Mr N paid for the peace of mind that he would be covered for a number of eventualities, and although several mistakes were made and he didn't get the service he paid for and quite rightly expected, that doesn't mean he hasn't had the peace of mind of the cover while he's been paying for it. So I'm not satisfied that a premium refund is due.

And having thought carefully about everything Mr N has said, and whilst I don't intend to diminish the difficulties he faced at what was clearly a very stressful time, I consider £300 compensation fair and reasonable in the circumstances. This amount reflects the fact that Mr N was caused more than the usual levels of frustration and annoyance that he might reasonably expect in the circumstances. And I have to bear in mind the length of time Mr N experienced the distress and inconvenience that DAS caused. As this was experienced over a number of days, rather than over several weeks or months for example, I'm satisfied the compensation is appropriate in the circumstances and in line with what we'd award in other similar cases. Mr N can look on our website for details of how we make awards for distress and inconvenience if he so wishes.

I'm satisfied with DAS's offer to consider any claim for reimbursement of Mr N's direct financial losses, which it sets out in its final response letter dated 18 October 2024. If it hasn't already considered Mr N's claimed losses in relation to this incident, it should do so in line with the terms and conditions of the policy, and it should also add interest at a rate of 8% simple per annum, from the date Mr N incurred the loss, until the date it pays him.

### **Putting things right**

ARAG Legal Expenses Insurance Company Limited trading as DAS Legal Expenses Insurance Company Limited should:

- Pay Mr N £300 compensation for the distress and inconvenience caused to him.
- Ensure that any claim Mr N submits for his losses in relation to this incident is dealt with in a fair and timely manner. It should also add 8% simple interest to any payments not yet made to Mr N for reimbursement of those losses, applying the interest from the date Mr N incurred the loss, until the date of settlement.

### **My final decision**

My final decision is that I uphold this complaint and I direct ARAG Legal Expenses Insurance Company Limited trading as DAS Legal Expenses Insurance Company Limited to put things right as I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 28 July 2025.

Ifrah Malik  
**Ombudsman**