

FINANCIAL

SUNDAY EXPRESS

EDITED BY GEOFF HO



Disney's Marvel-lous £32m UK handout

DISNEY has been handed more than £32million of taxpayers' cash to produce Secret Invasion, the Marvel superhero spy caper, in the UK, writes Caroline Reid.

Accounts show that the US entertainment giant has spent £166.2million on the six-part streaming series, which stars Samuel L. Jackson. Records add that production was "forecast to be over budget", placing extra importance on the handout from taxpayers.

Secret Invasion, which debuted on the Disney+ streaming service last month, sees Jackson team up with Oscar-winner Olivia Colman, Ben Mendelsohn and Emilia Clarke to try and stop an army of shape-shifting aliens.

Filming took place across London, with the East End doubling for Moscow and Brixton as an alien base. It was also shot in Leeds, Halifax and Huddersfield.

The Disney+ streaming

platform has not made a profit since it was launched in 2019 and made an operating loss of \$659million (£519.6million) in the first quarter of 2023 alone. In February, Disney chief executive Bob Iger announced cuts to content as part of a £4.3billion savings plan company-wide.

The UK is a leading destination for film and TV production due to tax relief schemes introduced by former chancellor George Osborne.

THE SPY'S THE LIMIT: Samuel L. Jackson stars with Cobie Smulders in Secret Invasion

'Bandits' bled Thames dry

By Geoff Ho

THAMES Water had nearly £1.3billion sucked out of it by investors led by Australian investment bank Macquarie over the 11 years it owned it, an analysis of its accounts shows.

Britain's biggest water company, which provides water to a quarter of the population, was owned by a Macquarie-led consortium from 2006 until 2017. It acquired Thames Water for £8bn from German utilities group RWE and with the exception of 2016, it extracted money from it every year.

More than half of the £1.27bn Thames Water paid out to Macquarie and its European and Canadian co-investors was in the form of dividends. The rest was interest on money the utilities group owed it.

Macquarie, known as the "millionaire's factory" in Australia, said it had overseen £1bn per annum of investment in Thames Water when it sold out in 2017. However, much of that investment was actually interest-bearing loans.

Additionally, Thames Water's parent company Kemble had net debt of £6.3bn during the first

year of ownership under the Macquarie consortium.

When Macquarie sold out in March 2017, that had risen to £11.4bn. It now stands north of £14bn. It has not paid a dividend or interest on its shareholders' loans since Macquarie sold up.

The accounts also show that the business has lost more than £900million on a pre-tax basis since then.

The Unite union said the crisis at Thames Water shows the Government had been "asleep at the wheel again" and it had failed to learn the lessons of Carillion, the collapsed outsourcing and Private Finance Initiative projects group.

General secretary Sharon Graham said: "This is a classic example of bandit capitalism, over a billion pounds sucked out of the business to enrich a few wealthy shareholders."

"The UK's regulatory system has demonstrably failed yet again, customers are left fearing huge increases in their bills, while those who asset-stripped

the business have disappeared over the horizon."

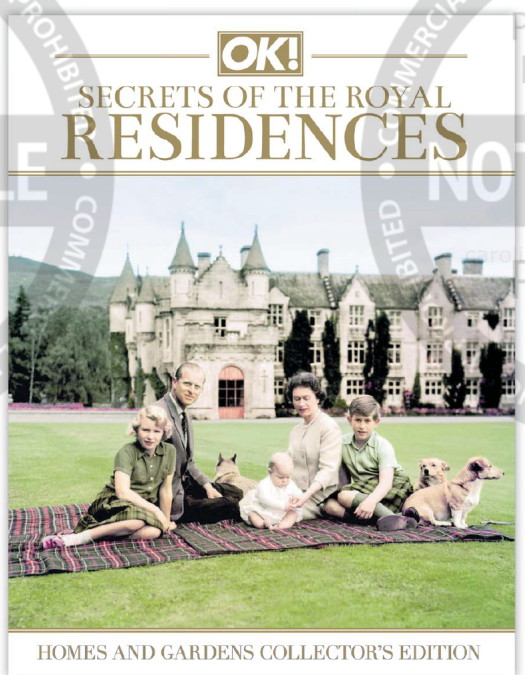
Macquarie sold its 26.3 per cent stake in Thames to Omers, the pension fund of municipal workers in the Canadian province of Ontario, and the Kuwait Investment Authority. Kuwait sold out in 2021.

Omers is the biggest investor in Thames Water with 32 per cent of the company, followed by the Universities Superannuation Scheme with 19.7 per cent and the Abu Dhabi Investment Authority on 9.9 per cent. The other six shareholders are two pension funds, China and specialist infrastructure investors.

Elsewhere, shareholders in water company Severn Trent are being urged to veto "excessive" executive pay awards at its annual meeting on Thursday by PIRC, the governance group. It said the pay of chief executive Liv Garfield was too high at 28 times that of the average Severn Trent employee.

PIRC added Garfield and the other directors should not benefit from incentive schemes simply for doing their jobs.

ON SALE NOW



OK! SECRETS OF THE ROYAL RESIDENCES

HOMES AND GARDENS COLLECTOR'S EDITION

AVAILABLE IN SHOPS, AND AT ok.co.uk/royalresidences

Online purchase price excludes P&P. See website for details.

