

Ernst & Young
2 St Peter's Square
MANCHESTER
M2 3DF

5 December 2024

Dear Sirs,

Teesside Pension Fund – Statement of Accounts - 2021/22

This letter of representations is provided in connection with your audit of the financial statements of Teesside Pension Fund (“the Fund”) for the year ended 31 March 2022. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the financial transactions of the Fund for the year ended 31 March 2022, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year, in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

We understand that the purpose of your audit of the Fund's financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 and for keeping records in respect of contributions received in respect of active members of the Fund.
2. We confirm that the Fund is a Registered Pension Fund. We are not aware of any reason why the tax status of the Fund should change.
3. We acknowledge, as members of management of the Fund, our responsibility for the fair presentation of the financial statements and the Summary of Contributions. We

believe the financial statements referred to above give a true and fair view of the financial transactions and the financial position of the Fund in accordance with applicable law, the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22, and are free of material misstatements, including omissions. We have approved the financial statements.

4. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
5. As members of management of the Fund we believe that the fund has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22 that are free from material misstatement, whether due to fraud or error.
6. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in aggregate, to the financial statements taken as a whole. We have not corrected these differences identified by and brought to our attention from the auditor because of the relative size of the amounts involved.

B. Non-compliance with law and regulations, including fraud.

1. We acknowledge that we are responsible to determine that the Fund's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation, and maintenance of a system of internal control to prevent and detect fraud.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have not made any reports to the Pensions Regulator, nor are we aware of any such reports having been made by any of our advisors.
5. There have been no other communications with the Pensions Regulator or other regulatory bodies during the Fund year or subsequently concerning matters of non-compliance with any legal duty.
6. We confirm that we are not aware of any breaches of the Payment Schedule/Schedule of Contributions or any other matters that have arisen which we considered reporting to the Pensions Regulator.
7. We have disclosed to you, and provided you full access to information and any internal investigations relating to, all instances of identified or suspected non-compliance with law and regulations, including fraud, known to us that may have affected the Council (regardless of the source or form and including, without limitation, allegations by "whistleblowers") including non-compliance matters:

- Involving financial improprieties.
- Related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Fund's financial statements.
- Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Council's activities, its ability to continue to operate, or to avoid material penalties.
- Involving management, or employees who have significant roles in internal controls, or others.
- In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators, or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. You have been informed of all changes to the Fund rules.
3. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
4. We have made available to you all minutes of the meetings of members of the management of the Fund held throughout the year to the most recent meeting on the 25 September 2024.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year ended 31 March 2022. These transactions have been appropriately accounted for and disclosed in the financial statements.
6. We confirm the completeness of information provided regarding annuities held in the name of the members of management of the Fund.
7. We believe that the methods, significant assumptions, and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in

accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.

8. We have disclosed to you, and the Fund has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions, or other requirements of all outstanding debt.
9. No transactions have been made which are not in the interests of the Fund members or the Fund during the year or subsequently.
10. From 28 April 2023, through the date of this letter we have disclosed to you, to the extent that we are aware, (1) any unauthorised access to our information technology systems that either occurred or is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorised access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.

E. Subsequent Events

Other than the 2022 triennial revaluation of the Fund and the High Court Ruling regarding Virgin Media Limited v NTL Pension Trustees II Limited described in Note 22 to the financial statements, there have been no events subsequent to the period end which require adjustment of or disclosure in the financial statements or notes thereto.

F. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the Teesside Pension Fund Accounts and Notes on pages 117 to 155, other than the financial statements and the statement about contributions.
2. We confirm that the content contained within the other information is consistent with the financial statements.

G. Advisory Reports

We have not commissioned any advisory reports which may affect the conduct of your work in relation to the Fund's financial statements and the schedule of contributions.

H: Independence

As members of management of the Fund, we are not aware of any matters which would render Ernst & Young LLP ineligible to act as auditor to the Fund.

I: Derivative Financial Instruments and Pooling investments, including the use of collective investment vehicle and shared services.

1. We confirm that the Fund has made no direct investments in derivative financial instruments.
2. We confirm that all investments in pooling arrangements, including the use of collective investment vehicles and shared services, meet the criteria set out in November 2015 investment reform and criteria guidance and that the requirements of the LGPS (Management and Investment of Funds) Regulations 2016 in respect of these has been followed.

J. Actuarial Valuation

The latest report of the actuary Hymans Robertson as at 31 March 2022 and dated 30 March 2023 has been provided to you. To the best of our knowledge and belief we confirm that the information supplied by us to the actuary was true and that no significant information was omitted which may have a bearing on this report.

K. Valuation of Investments

1. We confirm that the significant judgments made in making the valuation of investments have taken into account all relevant information and the effects of the Covid-19 pandemic of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the valuation of investments.
3. We confirm that the significant assumptions used in making the valuation of investments appropriately reflect our intent and ability to carry out the assumed specific courses of action on behalf of the entity.
4. We confirm that the disclosures made in the financial statements with respect to the accounting estimates, including those describing estimation uncertainty and the effects of the COVID-19 pandemic, are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2021/22.
5. We confirm that appropriate specialised skills or expertise has been applied in making the estimates.

6. We confirm that no adjustments are required to the accounting estimates and disclosures in the financial statements, including due to the COVID-19 pandemic.

L. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we have engaged to value Investments held by the Fund and the Fund's liabilities to its members to pay retirement benefits and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

M. Going Concern

Based on our assessment of going concern, the details of which have been shared with you, we confirm we are not aware of any material uncertainties related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. We do not intend to wind up the Fund. We are satisfied that the use of the going concern basis of accounting is appropriate in the preparation and presentation of the financial statements.

N. Climate-related matters

1. Whilst recognising that the Climate Change Governance and Reporting regulations do not cover the Local Government Pension Scheme, we confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation, and disclosure of climate-related matters has been considered, as well as the impact resulting from the Commitments made by the Fund, in the financial statements.
2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of United Kingdom Generally Accepted Practice aligned with the statements we have made in the other information or other public communications made by us.

O. Geopolitical Conflicts

We have disclosed to you any significant changes in our processes, controls, policies, and procedures that we have made to address the effects of the conflicts in Ukraine and the Middle East and related sanctions on our system of internal control. We have disclosed to you all material transactions, events and conditions related to the conflicts in Ukraine and the Middle East and related sanctions.

Yours faithfully,

Debbie Middleton, Director of Finance and S151 Officer
Middlesbrough Council & Teesside Pension Fund

Jill Ewan
Chair of the Audit Committee
Middlesbrough Council

Ernst & Young
G1 Building
5 George Square
GLASGOW
G2 1DY

5 December 2024

Dear Sirs,

Teesside Pension Fund – Statement of Accounts - 2022/23

This letter of representations is provided in connection with your audit of the financial statements of Teesside Pension Fund (“the Fund”) for the year ended 31 March 2023. We recognise that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion as to whether the financial statements give a true and fair view of the financial transactions of the Fund for the year ended 31 March 2023, and of the amount and disposition at that date of its assets and liabilities, other than liabilities to pay pensions and benefits after the end of the year, in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

We understand that the purpose of your audit of the Fund’s financial statements is to express an opinion thereon and that your audit was conducted in accordance with International Standards on Auditing (UK), which involves an examination of the accounting system, internal control and related data to the extent you considered necessary in the circumstances, and is not designed to identify - nor necessarily be expected to disclose - all fraud, shortages, errors and other irregularities, should any exist.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

A. Financial Statements and Financial Records

1. We have fulfilled our responsibilities, under the relevant statutory authorities, for the preparation of the financial statements in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 and for keeping records in respect of contributions received in respect of active members of the Fund.
2. We confirm that the Fund is a Registered Pension Fund. We are not aware of any reason why the tax status of the Fund should change.
3. We acknowledge, as members of management of the Fund, our responsibility for the fair presentation of the financial statements and the Summary of Contributions. We

believe the financial statements referred to above give a true and fair view of the financial transactions and the financial position of the Fund in accordance with applicable law, the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23, and are free of material misstatements, including omissions. We have approved the financial statements.

4. The significant accounting policies adopted in the preparation of the financial statements are appropriately described in the financial statements.
5. As members of management of the Fund we believe that the fund has a system of internal controls adequate to enable the preparation of accurate financial statements in accordance with applicable law and the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23 that are free from material misstatement, whether due to fraud or error.
6. We believe that the effects of any unadjusted audit differences, summarised in the accompanying schedule, accumulated by you during the current audit and pertaining to the latest period presented are immaterial, both individually and in aggregate, to the financial statements taken as a whole. We have not corrected these differences identified by and brought to our attention from the auditor because of the relative size of the individual amounts involved.

B. Non-compliance with law and regulations, including fraud.

1. We acknowledge that we are responsible to determine that the Fund's activities are conducted in accordance with laws and regulations and that we are responsible to identify and address any non-compliance with applicable laws and regulations, including fraud.
2. We acknowledge that we are responsible for the design, implementation, and maintenance of a system of internal control to prevent and detect fraud and that we have appropriately fulfilled those responsibilities.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have not made any reports to the Pensions Regulator, nor are we aware of any such reports having been made by any of our advisors.
5. There have been no other communications with the Pensions Regulator or other regulatory bodies during the Fund year or subsequently concerning matters of non-compliance with any legal duty.
6. We confirm that we are not aware of any breaches of the Payment Schedule/Schedule of Contributions or any other matters that have arisen which we considered reporting to the Pensions Regulator.
7. We have disclosed to you, and provided you full access to information and any internal investigations relating to, all instances of identified or suspected non-compliance with law and regulations, including fraud, known to us that may have affected the Council (regardless of the source or form and including, without limitation, allegations by "whistleblowers") including non-compliance matters:

- Involving financial improprieties.
- Related to laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Fund's financial statements.
- Related to laws and regulations that have an indirect effect on amounts and disclosures in the financial statements, but compliance with which may be fundamental to the operations of the Council's activities, its ability to continue to operate, or to avoid material penalties.
- Involving management, or employees who have significant roles in internal controls, or others.
- In relation to any allegations of fraud, suspected fraud or other non-compliance with laws and regulations communicated by employees, former employees, analysts, regulators, or others.

C. Information Provided and Completeness of Information and Transactions

1. We have provided you with:
 - Access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit; and
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
2. You have been informed of all changes to the Fund rules.
3. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
4. We have made available to you all minutes of the meetings of members of the management of the Fund held throughout the year to the most recent meeting on the 25 September 2024.
5. We confirm the completeness of information provided regarding the identification of related parties. We have disclosed to you the identity of the Council's related parties and all related party relationships and transactions of which we are aware, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year ended 31 March 2023. These transactions have been appropriately accounted for and disclosed in the financial statements.
6. We confirm the completeness of information provided regarding annuities held in the name of the members of management of the Fund.
7. We believe that the methods, significant assumptions and the data we used in making accounting estimates and related disclosures are appropriate and consistently applied to achieve recognition, measurement and disclosure that is in

accordance with the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.

8. We have disclosed to you, and the Fund has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions, or other requirements of all outstanding debt.
9. No transactions have been made which are not in the interests of the Fund members or the Fund during the year or subsequently.
10. From 28 April 2023, through the date of this letter we have disclosed to you, to the extent that we are aware, (1) any unauthorised access to our information technology systems that either occurred or is reasonably likely to have occurred based on our investigation, including of reports submitted to us by third parties (including regulatory agencies, law enforcement agencies and security consultants), to the extent that such unauthorised access to our information technology systems is reasonably likely to have a material impact to the financial statements, in each case or in the aggregate, and (2) ransomware attacks when we paid or are contemplating paying a ransom, regardless of the amount.

D. Liabilities and Contingencies

1. All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible litigation and claims, whether or not they have been discussed with legal counsel.
3. We have recorded and/or disclosed, as appropriate, all liabilities related to litigation and claims, both actual and contingent, and have disclosed in the notes to the financial statements all guarantees that we have given to third parties.

E. Subsequent Events

Other than the High Court Ruling regarding Virgin Media Limited v NTL Pension Trustees II Limited described in Note 22, there have been no events subsequent to the period end which require adjustment of or disclosure in the financial statements or notes thereto.

F. Other information

1. We acknowledge our responsibility for the preparation of the other information. The other information comprises the annual report on pages 1 to 39, other than the financial statements, the auditors report and the statement about contributions.
2. We confirm that the content contained within the other information is consistent with the financial statements.

G. Advisory Reports

We have not commissioned any advisory reports which may affect the conduct of your work in relation to the Fund's financial statements and the schedule of

contributions/payment schedule.

H: Independence

As members of management of the Fund, we are not aware of any matters which would render Ernst & Young LLP ineligible to act as auditor to the Fund.

I: Derivative Financial Instruments and Pooling investments, including the use of collective investment vehicle and shared services.

1. We confirm that the Fund has made no direct investments in derivative financial instruments.
2. We confirm that all investments in pooling arrangements, including the use of collective investment vehicles and shared services, meet the criteria set out in November 2015 investment reform and criteria guidance and that the requirements of the LGPS (Management and Investment of Funds) Regulations 2016 in respect of these has been followed.

J. Estimates

Pooled investment vehicles, directly held by property and actuarial valuation disclosures ('the estimates')

1. We confirm that the significant judgments made in making the estimates have taken into account all relevant information of which we are aware.
2. We believe that the selection or application of the methods, assumptions and data used by us have been consistently and appropriately applied or used in making the estimates.
3. We confirm that the significant assumptions used in making the estimates appropriately reflect our intent and ability to carry out the investment strategy to which they relate, reflect the expectations of the Fund and to meet the obligations to members of the fund with regards to payment of retirement benefits.
4. We confirm that the disclosures made in the financial statements with respect to the estimates, including those describing estimation uncertainty and the effects of the COVID-19 pandemic on the Fund, are complete and are reasonable in the context of the CIPFA LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2022/23.
5. We confirm that appropriate specialised skills or expertise has been applied in making the estimates.
6. We confirm that no adjustments are required to the accounting estimates and disclosures in the financial statements, including due to the COVID-19 pandemic.

K. Use of the Work of a Specialist

1. We agree with the findings of the specialists that we have engaged to value Investments held by the Fund and the Fund's liabilities to its members to pay retirement benefits and have adequately considered the qualifications of the specialists in determining the amounts and disclosures included in the financial

statements and the underlying accounting records. We did not give or cause any instructions to be given to the specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an effect on the independence or objectivity of the specialists.

L. Going Concern

Based on our assessment of going concern, the details of which have been shared with you, we confirm we are not aware of any material uncertainties related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. We do not intend to wind up the Fund. We are satisfied that the use of the going concern basis of accounting is appropriate in the preparation and presentation of the financial statements.

M. Climate-related matters

1. Whilst recognising that the Climate Change Governance and Reporting regulations do not cover the Local Government Pension Scheme, we confirm that to the best of our knowledge all information that is relevant to the recognition, measurement, presentation, and disclosure of climate-related matters has been considered in the financial statements.
2. The key assumptions used in preparing the financial statements are, to the extent allowable under the requirements of United Kingdom Generally Accepted Practice aligned with the statements we have made in the other information or other public communications made by us.

Yours faithfully,

Debbie Middleton, Director of Finance and S151 Officer
Middlesbrough Council & Teesside Pension Fund

Jill Ewan
Chair of the Audit Committee
Middlesbrough Council