




**POLITICAL  
INTELLIGENCE**



**Is England adequately preparing  
16–18-year-olds for the financial  
risks of social media?**

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## Scope and Purpose

Financial education and advice through social media platforms has grown massively [since the pandemic](#), with around 7.7 million UK consumers having followed financial advice on social media, leading many young people to seek financial guidance from supposed professionals on the internet rather than through traditional methods of education.

This report examines whether post-16 education in England adequately prepares 16–18-year-olds to navigate the financial risks associated with social media, and if so, in what ways. The central research question is: how is social media contributing to financial harm for 16–18-year-olds, and how can post-16 education better prepare students to recognise and respond to those risks?

The focus is deliberately narrow. Rather than assessing financial education across the whole school system, the analysis concentrates on sixth forms and colleges, and the period in which young people begin to assume greater financial independence. This is the point at which many start earning wages, managing money directly, and encountering financial content online with fewer formal safeguards than in earlier stages of schooling.

The analysis proceeds through three connected questions. First, how has social media changed the way young people encounter financial information and influence? Second, what kinds of harm are now emerging from that environment, including misleading promotions, scams and other forms of financial exploitation? Third, does the current post-16 policy settlement respond adequately to those risks? This matters in a policy context because post-16 education is already the subject of active parliamentary and governmental reform, with current debate focused on curriculum and qualifications across the 16–19 system. The test applied throughout is not simply whether financial education exists after 16, but whether it equips students to recognise the specific forms of digital financial risk now shaping decisions at this stage of life.

The final section, therefore, sets out targeted policy recommendations aimed at strengthening young people's resilience to online financial harm, while remaining realistic about the wider pressures facing sixth forms and colleges.



## A New Financial Risk Environment

Young people are coming of age in a financial environment distinctly different from the one that shaped earlier cohorts, prior to the social media age. In recent years, the UK has lived through a financial crisis, Brexit, a pandemic and its aftermath, and a cost-of-living crisis, all of which have contributed to a wider sense of economic uncertainty among younger generations. At precisely the point 16–18-year-olds are beginning to manage money more independently, they are also encountering financial information, influence and pressure through social media in ways the education system is not yet designed for.

The financial risk facing this age group has therefore changed materially. The issue is no longer confined to whether young people understand budgeting, saving or the basic mechanics of borrowing. Those remain important foundations. But older models of financial education were built for a financial environment that differs markedly from the one young people now face. Policy thinking was shaped around the assumption that financial learning would happen mainly through schools and home, with teaching focused on spending, saving, debt, bank accounts and other forms of day-to-day money management.

The [Bank of England's](#) work reflects that earlier model clearly, pointing to schools and parents as the main sites of learning and highlighting the role cash played in many children's earliest experiences of money, from pocket money to piggy banks. What those models were not designed for was an environment in which financial information is increasingly encountered through algorithmic feeds, influencer branding, peer circulation and short-form video. [Santander UK](#) found in 2025 that only 26 percent of young adults reported receiving financial education at school, while 31 percent said they looked to social media influencers for financial advice. Taken together, these figures point to a growing shift in where younger people encounter financial guidance.

In practice, financial content now reaches young people through short-form video, recommendation feeds, influencer branding and peer-to-peer circulation. In those spaces, the line between education, entertainment, advertising and advice is often blurred. A significant share of younger adults now follow social media influencers who discuss budgeting, money or personal finance, and many say that this content has helped them make financial decisions, including about investing, ISAs and mortgages. A [quarter of 18–24-year-olds](#) say they use social media for financial guidance, and one in five say they have invested money based on social media recommendations.

The significance of that shift is straightforward. Social media is no longer simply affecting what young people see; it is increasingly influencing what some of them go on to do with their money. In that sense, it has become part of the financial advice ecosystem, but without the safeguards normally associated with regulated advice or structured education.



## From Influence to Harm

There is a risk of understating the issue if it is framed simply as poor financial advice online. The problem is wider than that. Financial harm does not begin only when a law is broken; it can also arise where young people are encouraged to act on misleading, unsuitable or commercially motivated content in ways that expose them to loss or exploitation. In that sense, the FCA's broader approach is instructive: firms are expected to [“avoid foreseeable harm to retail customers”](#).

Some of what now circulates online has already moved beyond poor-quality advice into potential regulatory breach. In October 2024, the FCA launched targeted action against influencers (financial influencers), interviewing twenty people under caution and issuing 38 alerts against social media accounts suspected of containing [unlawful financial promotions](#). This matters because it confirms that the issue is not simply one of exaggerated or low-quality content. In at least some cases, regulators believe it has entered the territory of unlawful promotion.

However, the threshold for harm is wider than that. Even where conduct does not cross into clear illegality, the environment can still shape behaviour in damaging ways. The [FCA found](#) in December 2024 that 66 percent of investors aged 18 to 40 spent less than 24 hours deciding on an investment, 14 percent did so in under an hour, and a quarter admitted acting impulsively to keep up with current trends. Two in five later regretted buying a [hyped investment product](#). Those figures point to a financial environment in which speed, hype and fear of missing out are influencing decisions that would ordinarily require caution and reflection.

That behavioural effect matters because it does not remain abstract for long. It can translate into direct experiences of harm. [Ofcom found](#) that, among those who had experienced an online scam or fraud, nearly a quarter first encountered it on social media. [The Digital Youth Index](#) likewise reported that 35 percent of young people had experienced an online scam, including half of over-16s, while 14 percent had experienced fraud or identity theft. These are not minor outcomes. They involve direct financial loss, misuse of personal data, and, in some cases, the need for outside support to deal with the consequences.

The wider fraud picture makes the same point more sharply. [UK Finance](#) reported that 78 percent of authorised push payment fraud cases started online in the second half of 2022, with online channels continuing to dominate thereafter. The significance of that shift is that digital platforms are no longer simply places where misleading financial content may be encountered. They are increasingly acting as routes through which financial crime itself begins.

Money muling brings that risk into even clearer focus. [The Home Office's 2024 Money Mule Action Plan](#) describes money muling as activity that enables criminal gangs, including fraudsters and traffickers, to profit from exploitation. In practice, this often

reaches young people through “[easy money](#)” offers, social media recruitment, or requests to let money pass through their bank account. What may appear casual or low-risk online can therefore end in frozen accounts, loss of access to banking, damaged credit records, and exposure to criminal investigation.

Platform evidence points in the same direction. In written evidence to Parliament, [TikTok](#) said it prohibits content promoting phishing, Ponzi schemes, pyramid schemes and investment schemes promising high returns, and described educational resources designed to help 13–17-year-olds identify advertising and marketing content. But the same submission also makes clear that TikTok has no policy for compensating users who become victims of fraud after seeing advertising or user-generated content on the platform. This demonstrates that platforms already recognise these risks as real enough to require moderation, advertising controls and media-literacy interventions, while still treating the consequences largely through prevention and takedown rather than user redress.

Once viewed in those terms, the definition of financial harm widens considerably. The issue is no longer confined to weak budgeting or poor financial judgement. It now includes exposure to unlawful promotions, direct financial loss, exploitative recruitment, and exclusion from mainstream financial services. That is why the post-16 question has become more pressing. If the harms young people now face are more digital, more immediate, and in some cases clearly unlawful, then the adequacy of current post-16 provision becomes harder to defend.



## The Post-16 Gap and Why the Current Settlement Falls Short

For 16–18-year-olds, the point at which financial decisions become more real is also the point at which formal provision becomes less certain. This is the stage at which many young people begin moving from theory to practice: earning wages, paying tax, considering student finance, using bank accounts more independently, and in some cases living away from home for the first time. The [Education Committee](#) said in 2024 that financial education is “vital” for this age group, but noted that post-16 students currently miss out on any form of compulsory financial education.

That weakness is now easier to specify than it once was. The problem is not only that delivery varies between institutions. It is that the model remains too generic for the harms young people are now most likely to encounter. [The APPG’s recent work](#) on financial education for young people points to exactly that problem, highlighting the absence of financial education after 16, an outdated curriculum, and the fact that topics such as online scams, digital spending and in-game purchases are often left out.

Set against the harms identified earlier in this briefing, the mismatch becomes clearer. If the risk is unlawful promotion, students need to be able to distinguish regulated advice from marketing. If the risk is scam exposure, they need to recognise how scams are presented online and where verification or reporting routes sit. If the risk is hype-driven investing, they need to understand how urgency, social proof and repeated exposure can distort judgement. If the risk is money mule recruitment, they need to recognise how exploitative contact is disguised as a casual online opportunity. These are not simply extensions of older lessons on budgeting and saving. They are different judgement tasks, shaped by a more digital and more commercially mediated environment.

That is where the current settlement falls short. It still reflects an older conception of financial literacy, one better suited to teaching day-to-day money management than to preparing students for digital financial influence, fraud pathways and exploitative recruitment. The question is therefore no longer simply whether financial education exists somewhere in the system. It is whether the provision young people receive is designed around the risks they are now most likely to face after 16.

There is also a practical reason the gap has proved so durable. Even where the case for stronger provision is accepted, post-16 institutions are being asked to respond within tighter resource constraints. The IFS notes that, even after planned increases, real-terms funding per pupil will remain around 4percent below early-2010s levels in colleges and 18percent below in school sixth forms. It also notes that providers are being asked to deliver further reforms at the same time, creating additional pressure on already stretched capacity.



Once viewed in those terms, the weakness in the current approach looks less incidental and more structural. Risk is becoming more immediate, more digital and more behaviourally complex just as the formal response becomes less certain. That is what makes the post-16 gap harder to defend.



## Policy Recommendations

If the current settlement is weakest at the point risk becomes more immediate, the response cannot remain limited to enforcement after the fact. A more credible response would be for the Department for Education to establish a minimum post-16 financial education offer for students in school sixth forms and further education colleges, delivered through structures that already exist rather than through a large new standalone subject. That is consistent with the Education Committee's 2024 conclusion that post-16 students should receive "comprehensive financial education" as part of plans to continue maths education to 18.

### **Set a national post-16 expectation through DfE guidance and funding-linked delivery expectations.**

The most realistic policy lever is not a new qualification, but a clear DfE expectation that providers deliver a short, structured post-16 programme through existing tutorial, enrichment, induction or wider maths-to-18 provision. That fits the Government's wider approach to post-16 reform, which is already focused on curriculum and qualifications across the 16–19 system, and avoids assuming timetable space for a wholly new subject.

### **Define the content around the specific harms students now face.**

The offer should not be limited to budgeting, saving and borrowing. At a minimum, it should cover the following: how to distinguish regulated advice from promotional content; how online financial promotions operate; how scams and payment fraud are presented; how "easy money" offers can function as recruitment into money muling; and how hype, urgency and repeated exposure can shape financial decisions online. That is the clearest way to align provision with the harms identified earlier in the briefing, rather than leaving financial education at the level of generic money management. The case for updating content is reinforced by recent evidence that current provision often remains patchy and outdated, with digital spending and online scams not consistently covered.

### **Deliver it through existing post-16 structures, not a new standalone subject.**

A Government-takeable model would use delivery routes already available in schools and colleges: tutorial programmes, enrichment, induction, citizenship or personal-development style provision, and maths-to-18 where relevant. The Education Committee itself linked comprehensive post-16 financial education to maths-to-18, while current Government reform is already revisiting post-16 curriculum and qualification structures. That makes this a reform that can be embedded into an active policy space rather than bolted on from outside.



### **Centrally curate teaching materials instead of expecting institutions to build provision from scratch.**

The Department for Education should work with the Money and Pensions Service, Oak, HMRC, the Home Office, and quality-assured financial education providers to curate and promote a clearly identifiable package of post-16 resources. That approach is already implicit in the Government's response to the Education Committee [said](#) and across government to promote high-quality financial education resources; Oak is producing finance-related maths and citizenship materials; HMRC already provides curriculum-linked tax resources; and the Home Office has developed fraud education teaching resources and teacher training with the Association for Citizenship Teaching and the National Crime Agency.

### **Support delivery through teacher development rather than assuming specialist expertise already exists.**

The Government should not assume every school or college already has staff confident in this area. The more practical route is to build financial education into existing CPD and teacher-development structures, drawing on the findings of the Money and Pensions Service's teacher training programme. Moreover, the Government's own summary of that evaluation [says](#) training improved teacher confidence, skills and motivation, and that flexible, adaptable resources helped teachers continue delivering financial education. It also found that embedding financial education more firmly at policy level would help scale and sustain provision.

### **Make inspection and accountability support the policy.**

If the offer is to survive in a crowded system, it cannot rely only on goodwill. The Department for Education should work with Ofsted so that financial education is more clearly visible within inspection of personal development and relevant curriculum areas, especially where schools and colleges claim to be preparing students for later life. The Government has already accepted that elements of financial education can fall within inspection of maths and personal development; the next step is to make that visibility more deliberate and consistent.

### **Frame the reform as deliverable within current resource pressures.**

This matters because the post-16 sector is under strain. The IFS [estimates](#) that, even after planned increases, real-terms funding per pupil will remain around 4 percent lower in colleges and 18 percent lower in school sixth forms than in the early 2010s. That means any serious recommendation has to be low-burden in design: short modules, centrally produced materials, and delivery through existing structures rather than a wholly new subject.



**Use international precedent to show this can work in practice.**

Australia's MoneySmart for teachers is useful not because it can be copied wholesale, but because it shows what a structured national support model looks like. MoneySmart provides free teaching resources to help children and young people learn everyday money skills, including curriculum-aligned lesson plans. Independent evaluation of [ASIC's MoneySmart Teaching Program](#) found that it provided teachers with Australian Curriculum-aligned resources alongside personal and professional support to help them implement financial education effectively. That matters for England because it shows stronger financial education does not have to mean asking every institution to invent provision from scratch.



## Conclusion

Young people are not entering the same financial world the current model was built for. Social media now plays a growing role in how financial information is encountered, trusted and acted upon, while the risks attached to that environment are becoming more immediate, more digital and, in some cases, more serious. Post-16 provision remains weakest at precisely the point those pressures intensify.

That is the central difficulty running through this briefing. The problem is no longer simply that young people need better money skills in the abstract. It is that they are increasingly being asked to make financial judgements in environments where advice, promotion and exploitation can be difficult to disentangle, while the formal system offers the least certainty at the point those judgements begin to carry real consequences.

Viewed in those terms, the post-16 question becomes harder to dismiss as a peripheral curriculum issue. It goes instead to whether the current settlement is still fit for purpose. On the evidence set out here, it is becoming harder to argue that it is.



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