

CATEGORY THREE: Fraud and Scams (Ages 11-14)

Learning objectives

To explain the different types of scams people may fall victim to.

To identify ways to protect themselves and others from financial loss through scams and fraud.

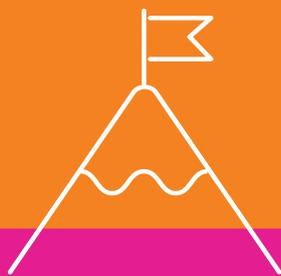
Links to the Financial Education Planning Framework

I know how to recognise and avoid potentially fraudulent situations when dealing with my money, including how to protect my PIN/passwords and keep my card details and online identity safe (11 – 14).

I can take the necessary steps towards protecting my money/identity when undertaking financial transactions, including electronically (11 – 14).

CHALLENGE ENTRY OPTION

Create something to help people protect themselves from scams.



Young people can approach this challenge in whichever way they choose, but one suggestion could be to investigate ways to prevent people from becoming victims of fraud or scams. How could they help them to stop and think first?

Consider ways of reaching as many people as possible. For example, older people may not use social media, but a newspaper article might alert them to current scamming trends. Younger people use social media and the internet to source news. People who may be more vulnerable often meet in groups, and a poster may be more eye-catching for them. A guide offering support for victims of fraud and scams may encourage them to report and share their experiences, so others don't feel alone.



YOUNG
MONEY
CHALLENGE



Q: How can we protect ourselves and others from fraud and scams?



MATERIALS

Fraud and Scams
Scenarios PowerPoint.

INTRODUCTION

Share this short video on scams to introduce this topic: <https://www.youtube.com/watch?v=iud3uNsKnal>

Clarify that students understand what a scam is. Have they heard of any recent scams? Explain that fraud has been in existence as long as money has been around. However, technology allows scammers to develop new and clever ways of getting us to part with our money. The one thing all scams have in common is that they are all dishonest ways of making money.

ACTIVITY

This activity invites young people to look more closely at how scams and fraud are becoming more elaborate and how important it is to be aware of new types of scams.

ACTIVITY 1

1. Working in pairs, ask students to vote on the age group they think has been targeted most by scammers.

- A.** 16 to 34-year-olds **B.** 55 years and over

Answer

According to Communication Consumers Panel (December 2020) younger people aged 16 to 34 were the most likely to be scammed. "One in five (20%) of those aged 16-34 had been scammed in the past two years, compared with one in twenty-five (4%) of those aged 55+."

2. Now ask students to explain why young people are more likely to become victims of a scam. They can discuss in pairs or small groups, and a volunteer could give feedback to the class.

Their answers may include:

- Many young people have phones so, they are contactable by text and email.
- They have social media accounts that could be hacked.
- They buy from online marketplaces and might fall for fake goods.
- They aren't aware of new scams.
- They rush in without checking first.
- A good deal tempts them as they may have less money to spend.

Explain that many of their answers will apply to other age groups too. Often people become victims of scams because they are caught off-guard. For example, someone waiting for a parcel to arrive receives a text from the courier company asking them to download a tracking app. By downloading a fake app, they may give access to passwords saved to their phone.



ACTIVITY 2



Working in small groups, ask students to study the scenarios and explain the potential risks. Then ask them if they can match the scenario to the type of scam or fraud.

SCENARIO 1

Alan is 14 years old and has received a message from someone who started following him recently. They have so much in common; they both live in the same city, follow the same people and support the same football team.

What is the potential risk here?

The similarities might be more than a coincidence. This person may not be who they say they are. If they have checked Alan's profile/bio, they will have picked up on some of that information and copied it to make it look like they have stuff in common. They may also have asked to follow his friends. Over time, Alan could be asked for money and personal information or have his social media account copied.

What type of fraud or scam is this?

A type of social engineering, also known as phishing.

SCENARIO 2

Aminatou is 19 years old, in her second year at University and, money is tight. One of the students she shares with tells her of a scheme that he has been doing. He might be able to get her work if she's interested. All she would have to do is allow the payment of money into her bank account and then transfer it on to someone else. She gets to keep some of the money every time she does it.

What is the potential risk here?

Criminals need to 'launder' the money they make from illegal activities. By paying it into various accounts, it hides where it has come from originally. If Aminatou allows these payments through her bank account, she is helping them, and it is a criminal offence.

What type of fraud or scam is this?

Money mule.

SCENARIO 3

Nama is 16 years old and has been chatting to a gaming friend online for a couple of months. This friend has come across a code to get hold of toolkits that will make their game easier. All Nama needs to do is change his password to the code his friend has given him.

What is the potential risk here?

Once Nama has changed his password to the new code, this person has access to his account, and any debit or credit cards linked to it are at risk of being used. Any valuable gaming items or virtual goods in his account could be stolen and traded. The toolkits and guides offered are often available free from the game provider. Scammers use the promise of rewards to encourage gamers to reveal or change their passwords.

What type of fraud or scam is this?

Password Scamming/Social Engineering.

SCENARIO 4

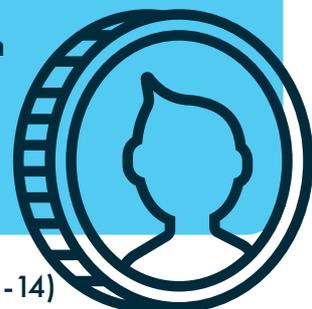
Ailsa is 30 years old, and her bank has just phoned to say there's a problem with her account. They have told her that she needs to sign in to her bank account to move her funds to a secure account they will give her. She will receive a one-time password code by text, and she will need to read it to them.

What is the potential risk here?

One-time passwords are sensitive information and allow access to your account. Your bank will never ask you for this code. Ailsa could lose the funds she has in her account if she shares this or any other information. If she transfer her money to the secure account, she will lose that money to the fraudster.

What type of fraud or scam is this?

One-time password fraud and advance payment fraud.



Q: How can we protect ourselves and others from fraud and scams?



ACTIVITY 3

With these scenarios in mind, ask the class to consider what motivates scammers to scam people out of money.

Their answers may include: greed; control; no respect for others; quick way of making money; it's easier than working for money.

Can students think of reasons why the scammers used these tactics?

Suggestions may be: People are tempted by rewards and quick wins; they think something bad will happen if they don't take action; they believe that someone is trying to help them; they get rushed into something and don't stop to think first.



ACTIVITY 4

Working in pairs, ask students to think of how each of our characters might feel as victims and the advice they might give them. Illustrations of these emotions could make for a powerful classroom display.

Victims may feel emotions such as anxiety, shame, embarrassment and guilt. In addition, losing money could cause hardship and depression and an overall lack of trust in others.

Victims of scams and fraud should report it to a reliable organisation such as Action Fraud.

What actions could they take to protect themselves and others from scams like this?

Actions to protect themselves might include:

- Never share passwords or personal information.
- Check for spelling mistakes in messages.
- Avoid downloading apps or clicking on links before checking they are not going to cause damage.
- Be wary of people you don't know who try to be your friend online.

Actions to protect others might include:

- Tell your friends and family how to avoid being scammed.
- Use real life stories to show how it can happen to others.
- Find information and support about scams and fraud on reliable websites.