



Moving money:

uncovering the reality of exploitative money laundering and other forms of child financial exploitation

July 2025

**The
Children's
Society**

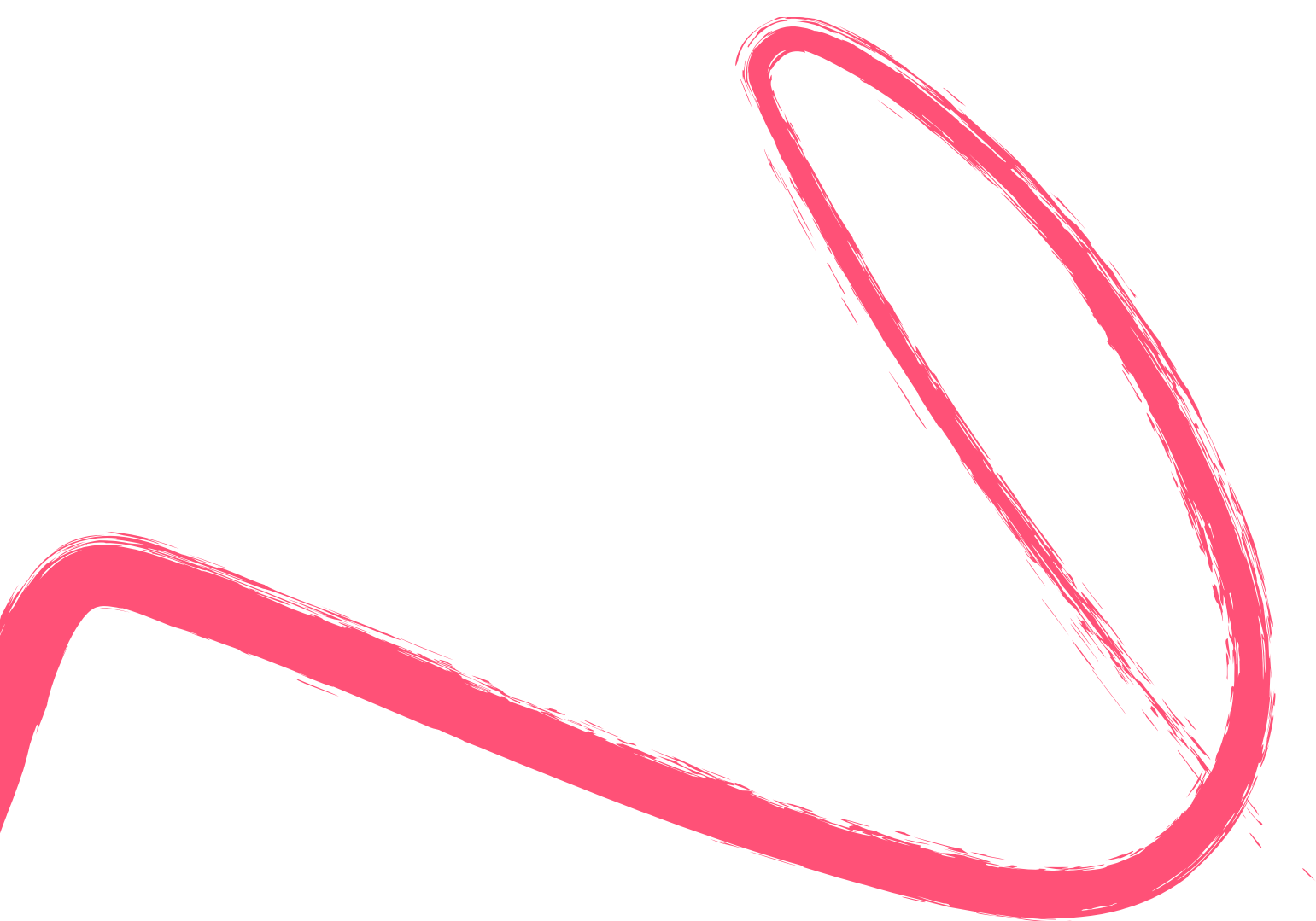
Contents

Acknowledgements	3
.....	3
Executive summary	4
Background	6
What is 'child financial exploitation'?.....	6
This report	7
Research aims and methods.....	7
1) How do specialist child exploitation professionals understand and apply the category of 'child financial exploitation'?	8
1a. Definition and use of the term 'child financial exploitation'.....	8
1b. Challenges in estimating the scale of child financial exploitation	8
Table 1: Forms of child financial exploitation and how this works / takes place.....	9
2) What are specialist child exploitation professionals' experiences and learning from working with young people around their involvement in exploitative money laundering and other forms of financial exploitation?	11
2a. Recruitment or exposure to exploitative money laundering.....	11
2b. Factors that may contribute to vulnerability to exploitative money laundering	13
Table 2: Factors contributing to exploitative money laundering	14
2c. Contextual contributors to financial exploitation.....	16
2d. The potential impacts of exploitative money laundering on young people and their parents or carers.....	18
2e. Signs and indicators of a child's exploitation through exploitative money laundering.....	19
2f. Barriers to identifying child financial exploitation	20
Figure 1. Barriers to identifying exploitative money laundering for young people and those around them.....	20
Summary of the findings and their implications	25
Summary.....	25
Implications and considerations of our findings.....	26
What next?.....	27
Glossary	28
Notes	31
Bibliography	33

Acknowledgements

The Children's Society would like to thank everyone who made this research possible. Thank you to all the individuals who participated in interviews and to those who contributed to the report.

We would like to give special thanks to Catch22, Barnardo's, Link to Change, Solution Focussed World, and to the practitioners from The Children's Society's exploitation services for so generously sharing their insights into how child financial exploitation is identified and responded to in their areas. Their expertise and commitment to working together to create safer spaces for children and young people is inspiring and provides hope for a future where children and young people will be protected from financial exploitation and abuse.



Executive summary

Extensive efforts have been made to build knowledge and awareness of child exploitation over the past 20 years. The manipulation and coercion that children and young people experience, and the serious harms that can ensue when they are sexually or criminally exploited, are now widely acknowledged. The safeguarding response that has grown and developed has improved support and protection for many victims, although there remain concerns about how comprehensive or consistent this is in different areas of the country.

At the same time, there is good reason to believe that some forms of child exploitation operate outside current understanding – that children and young people are being victimised every day in ways that are not recognised.

This report by The Children's Society presents research on one such form, a newly identified type of child exploitation recently referred to by the Home Office as 'financial exploitation'.¹ Most often manifested in the issue of 'exploitative money laundering', there are indications that this may be prevalent, that professionals who might otherwise work to safeguard children and young people remain largely unaware, and that banks and other financial institutions could have an important role in addressing it.

To explore this issue, we conducted in-depth interviews with 17 specialist professionals working directly to address child exploitation. Their experiences supporting young people and their families, and the insights they had gained through their work on child financial exploitation and exploitative money laundering are detailed in this report.

Key findings

There was clear evidence from the research that across England and Wales children and young people are being financially exploited, including through exploitative money laundering, and some indications that the characteristics of young victims and their home contexts can vary widely. However, the true scale and nature of child financial exploitation is unknown and more insight gathering and research is needed to address these gaps.

Findings from the interviews included that:

- Even specialist child exploitation professionals were not confident in their understanding of 'financial exploitation.' They expressed caution around what they conveyed and concerns about their ability to respond appropriately through their work.
- Child financial exploitation could have multiple and complex causes. For example, many situations were linked to family poverty and community deprivation, and – in some – parents or carers had been complicit in fraudulent activity. However, in others, ostentatiousness around the wealth of their family (e.g., a young person wearing expensive clothes, being known to take regular holidays abroad) had attracted the attention of exploiters.
- Some of the methods used by exploiters to recruit children and young people for exploitative money laundering mirrored those employed for other forms of child exploitation, namely through online encounters and 'relationship' building via social

- media accounts or through gaming platforms. However, evidence of a range of offline, face-to-face methods emphasised that child financial exploitation can involve abuse in the physical world, placing children and young people at immediate risk of potentially serious harm.

Banks had often been well placed to identify potential financial exploitation when their systems noticed transactions that might be fraudulent. However, according to interviewees their responses had been limited and largely unhelpful, most often freezing accounts without warning or any attempt to make sensitive inquiries or offer support or safeguarding input. Interviewees also described challenges for themselves – and for social workers – in communicating with banks in situations where there had been concerns around potential exploitative money laundering.

- The impact of exploitative money laundering on young people had included significant problems around managing finances. The trauma associated with police investigations and the possibility of acquiring a criminal record were highlighted and situations where household finances had been significantly disrupted were also outlined.
- A lack of understanding or awareness of child financial exploitation among professionals with safeguarding roles, and in police forces, had led to patchy and inconsistent responses to young people who had been exploited to launder money. This had contributed to a likelihood of victim blaming and the attribution of criminal status in many cases and, in some, to a failure to prevent further abuse.

Recommendations

The research points to the need for:

- more research, including with young people and parents/carers, and with banks and financial institutions and professionals in safeguarding and law enforcement roles, to develop deeper insights and to build a clearer understanding of the scale, scope, and nature of child financial exploitation and how to improve policy and practice to address it
- reappraisal of the approach taken by banks and greater collaboration with parents/carers and professionals working with young people to improve safeguarding
- Education for young people and parents/carers about exploitative money laundering and wider financial exploitation and where to get help. Ideally this would be developed through consultation with young people and parents/carers to ensure that the messages resonate and the approach works for the intended audience
- training on exploitative money laundering as a priority and particularly to raise awareness and promote greater understanding among safeguarding professionals, law enforcement, and the banking and finance sector, as well as those working in relevant policy and decision-making roles.

Background

Understanding of the potential for children and young people to be exploited by individuals or groups outside their immediate family has grown in recent years.¹ Following the publication of new 'Working Together' guidance in 2009, different types of child exploitation began to be defined. This included child sexual exploitation (CSE) and child criminal exploitation, which share a number of core characteristics, namely:

- they entail deception, manipulation or coercion of a child or young person aged under 18,
- the exploiter is the main beneficiary (even where the victimised child or young person might perceive a benefit for them)
- there is a strong likelihood of serious harms befalling the victim either through, or as a consequence of, their exploitation.²

This report presents research on the financial exploitation of children and young people, a phenomenon only recently – and still rarely – recognised by safeguarding professionals in the UK.

What is 'child financial exploitation'?

The Children's Society was first alerted to this form of child exploitation during the early 2020s. Practitioners in our services and partners in law enforcement were describing situations where children were being manipulated or coerced to launder money through their bank accounts, with the numbers reported suggesting that this may be happening at scale, in multiple ways.

Subsequently, colleagues in the Home Office-funded national Prevention Programme collected anecdotal evidence of this from contacts in the field to begin to build our own knowledge and to raise wider awareness of this issue (e.g. through our 'Look closer' exploitation awareness campaign³). In 2024, the Home Office funded a specialist post to lead on child financial exploitation within the Prevention Programme and The Children's Society has continued to lobby for official recognition of this form of abuse, leading, for example, to new government guidance being issued in 2024. The guidance includes this description:

"Financial exploitation can take many forms. In this context, we use the term to describe exploitation which takes place for the purpose of money laundering. This is when criminals target children and adults at risk and take advantage of an imbalance of power to coerce, control, manipulate, or deceive them into facilitating the movement of illicit funds. This can include physical cash and/or payments through financial products, such as bank and cryptocurrency accounts.

Financial exploitation is a form of criminal exploitation, or child criminal exploitation when the victim is under 18 years old. It can take place in isolation or alongside other forms of exploitation."

(Home Office, 2024)

Despite stressing the potential scope of financial exploitation, it is notable that this account covers only forms related to transactions involving the 'movement of funds'. Systematic assessment of other forms of financial exploitation has yet to happen – and this remains a problem in terms of the reliability of safeguarding responses.

This report

The current study aimed to gain insights into how practitioners and managers working on the frontline of child exploitation understood 'child financial exploitation'⁴ on the basis of their professional experience. The working definition deployed here posits that the core characteristics of 'child financial exploitation' resonate with those of other forms of child exploitation, as described above, and that there can be serious negative consequences for the victim. In this instance, the activity that is the focus for a child or young person's exploitation is related to financial actions.

Specialist professionals were interviewed – to hear their reflections, experiences, and understanding of situations where a child had been deceived, manipulated, or forced to move money that belonged to someone else. Those who took part were asked specifically about exploitative money laundering – currently the most widely recognised form of child financial exploitation – but were also encouraged to reflect more broadly on instances in their work with children and young people when other financially-related exploitation had occurred.

Research aims and methods

This was the first research conducted by The Children's Society on child financial exploitation.⁵ The project was a small-scale qualitative study addressing two overarching research questions:

- 1) How do specialist child exploitation professionals understand and apply the category of 'child financial exploitation'?
- 2) What are specialist child exploitation professionals' experiences and learning from working with young people around their involvement in exploitative money laundering and other forms of financial exploitation?

In the interviews, a range of relevant topics were covered, including:

- how exploiters recruit young people
- what might contribute to young people being exploited and their continuing involvement
- how often professionals identify and respond to child financial exploitation in its different forms
- how effective current systems are
- how child financial exploitation may be linked to other types of child exploitation.

Participants were recruited through existing professional contacts or through promotion of the study via The Children's Society's LinkedIn account. Seventeen professionals took part in the research, whose roles included: (national and regional) exploitation practitioner, counsellor, (senior) service manager, and Strategic Senior Leader. They represented organisations including Catch22, Barnardo's, Link to Change, Solution Focussed World, and from The Children's Society's exploitation services. Together their reach (i.e. the areas covered by the services they worked for) extended to 177 of the 339 local authorities across England and Wales.

Interviews were conducted online by The Children's Society's Financial Exploitation Lead using Microsoft Teams. They were transcribed and analysed thematically by the Financial Exploitation Lead with support from other staff within the Prevention Programme and a Senior Researcher at The Children's Society. Quotes have been reported verbatim and may not represent the language that The Children's Society would use to describe these issues. You can find more information on appropriate language regarding child exploitation [here](#).

1) How do specialist child exploitation professionals understand and apply the category of 'child financial exploitation'?

1a. Definition and use of the term 'child financial exploitation'

The principal consensus across accounts was that the formal term 'child financial exploitation' was rarely being used by practitioners, meaning that many felt poorly informed and lacked confidence about their knowledge and understanding:

"Yes, but I would say it's the type of exploitation that we least talk about in our service. It's probably the area that I know the least about in terms of exploitation."

National Exploitation Practitioner

It was also clear that interviewees were not using the term in discussions with young people:

"100%, it's not their language, I'd say it's professional language."

Senior Service Manager

Despite some concerns about the scope and validity of their own knowledge of this topic, interviewees conveyed that they regarded child financial exploitation as being a much broader issue than exploitative money laundering. They provided a wide range of examples from practice that helped to illustrate this (see Table 1). Examples have been categorised as situations where:

- (i) children act on behalf of the exploiter to instigate a financial transaction (e.g. buying something, depositing, or withdrawing money, committing fraudulent acts)
- (ii) the exploiter uses the child's own resources
- (iii) the exploiter steals / deprives the child of financial resources they own.

1b. Challenges in estimating the scale of child financial exploitation

Interviewees suggested that the identification of child financial exploitation varied across different services and or locations within the same service. Exploitation practitioners who were aware of instances of exploitative money laundering estimated that between 10% and 35% of the children open to their service were known to be being exploited in this way, though some indicated that the actual number might be higher:

"I've got a case load of 20 now and I'd say maybe three. That's not to say it's not happening (in the other cases). That's just because we've got very proactive parents with those children."

National Exploitation Practitioner

Professionals described that they were more likely to discern financial exploitation within existing instances of child criminal exploitation than for child financial exploitation to be identified independently as the main form of child exploitation – i.e. it tended to be identified after referral into a child criminal exploitation or sexual exploitation service, rather than before support for a young person has been initiated. Many professionals who might otherwise put forward young people for support were not recognising what was happening to them as potential child financial exploitation, reducing the prospect of referrals specifically based on this initial assessment.

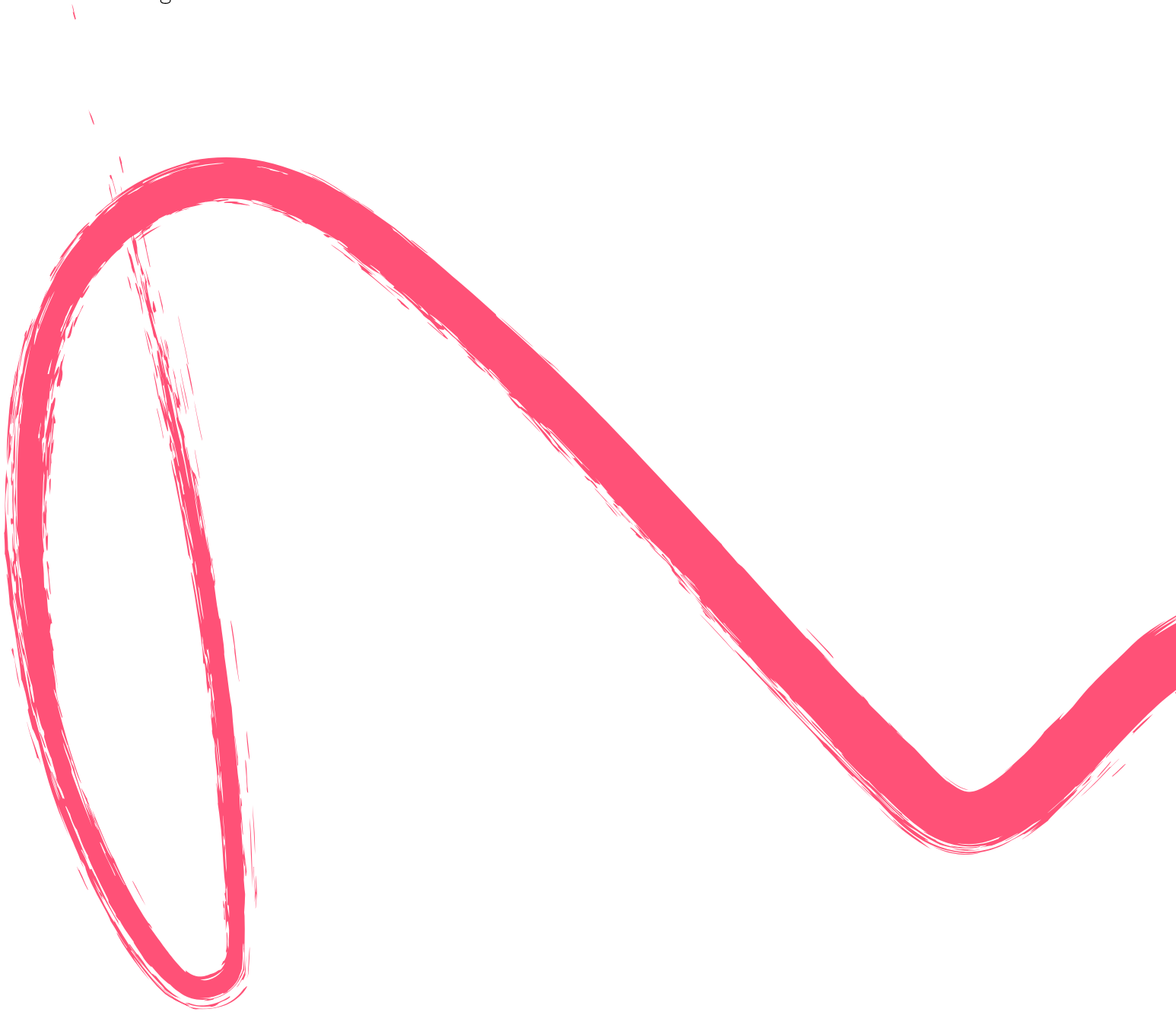
Table 1: Forms of child financial exploitation and how this works / takes place

Child acts on behalf of exploiter	Exploiter uses child's resources	Exploiter steals child's (or parent's / carer's) resources
Child is deceived / manipulated / coerced to ...		
<ul style="list-style-type: none"> ▪ Move money in and out of bank accounts. ▪ Move money in and out of 'streaming accounts'. ▪ Make extensive purchases from 'front' (non-legitimate) businesses – vape shops, designer boutiques, hairdressing salons – with money given to them by the exploiter (from illicit sources). ▪ Make purchases for the financial or reputational gain of their exploiters, such as buying sports equipment or other items that do not benefit the young person. ▪ Return items (often stolen) to shops without receipts to get money back for the exploiters. 	<ul style="list-style-type: none"> ▪ Exchange sexual images for money. ▪ Allow exploiter to take up residence in their home leading to increased utility bills and financial strain (linked to care leavers/first independent accommodation). ▪ Share their identity details – to set up fictitious bank accounts or make fraudulent welfare benefit claims (sometimes for the same child in multiple locations). ▪ Share parents/ carers ID or bank details to facilitate the theft of assets or commit fraud. 	<ul style="list-style-type: none"> ▪ Buy goods for others with their own money and/or to use their mobile phone. ▪ Add money to spending account cards (e.g. Go Henry type) – topping up themselves, asking parents/carers to do this (or using their details) for the benefit of the exploiter. ▪ Invest in fake cryptocurrencies or trading schemes. ▪ Donate to (spurious) groups or causes (e.g. young people supposedly contributing to faith or community organisations). ▪ Give up money that they received due to their care status. ▪ (Older young people) Work for less than minimum wage (by unscrupulous employers) <u>or</u> give up their earnings (e.g. in a case of forced 'domestic servitude', where a young person's passport is removed). ▪ Accept payment for their work in substances (alcohol, drugs) not money. ▪ 'Allow' an exploiter (usually a member of an organised group) to fraudulently claim welfare benefits using their identity (sometimes linked to the 'debt' accrued from being trafficked to the UK). <p>Examples of this type of child financial exploitation happening within families or through close relationship were also given, including:</p> <ul style="list-style-type: none"> ▪ Parents or guardians taking control of their children's finances and using the money for their own gain, such as paying bills or making purchases. <p>Similarly, boyfriend/girlfriend (intimate partner of young person) exercising control of a young person's accounts.</p>

“(We get referrals for this) infrequently, but (I) suspect it happens more than is identified and could be connected to professionals not seeing it as child trafficking / exploitation. We hear about it more than we actually see it.”

National Service Manager

Overall, interviewees reflected that child financial exploitation was regarded as an emerging trend, with referrals sometimes increasing after local awareness-raising sessions. However, identification and reporting were inconsistent within teams and from other organisations, making it hard to assess the scale of the issue.



2) What are specialist child exploitation professionals' experiences and learning from working with young people around their involvement in exploitative money laundering and other forms of financial exploitation?

2a. Recruitment or exposure to exploitative money laundering

The exploitation practitioners and managers who were interviewed recounted a range of different ways in which children and young people had been recruited or had become drawn in to exploitative money laundering, through both online and face-to-face methods.⁶

Social media

Specifically for exploitative money laundering, many examples were given that related to online methods. One principal platform that interviewees identified was social media – including apps such as Facebook (although less commonly used by young people), Instagram, Snapchat, TikTok, Telegram, and WhatsApp. Practitioners described how exploiters use fake profiles and may post 'adverts' – presented as legitimate job adverts, making them more convincing. Interviewees noted that exploiters may also monitor social media activity to identify young people who might be susceptible based on their interactions with posts. Once engaged, the young people are persuaded through online messaging to open bank accounts and participate in 'get-rich-quick' schemes.

More generally, interviewees said, young people are enticed by the display of wealth and luxury items on social media:

"It's more tempting, especially on social media, especially when their friends are doing it and everything like that. So, we're seeing a lot of wealth shown online that entices young people. And they're easy to approach, as you know, all they have to do is like a page or reach out and message them or something like that. It's very easy to engage with. So, I think it comes through social media a lot. I think that is a huge platform for any form of exploitation."

Senior Service Manager

Online games

The other channel said to be used regularly by exploiters to approach young people for exploitative money laundering was online games. Interviewees explained how exploiters operate through games that are popular with young people, including Fortnite, Valorant, Roblox and the FIFA, Call of Duty and Grand Theft Auto series,⁷ or through online platforms linked to gaming such as Twitch communities. Through these, exploiters deploy incentives to entice young people to engage with them and to build trust, for example offering virtual items like 'skins', 'V-bucks', 'mods', and 'coins', and then transfer money to young people via online rewards:

"We've seen it from online gaming as well with FIFA and things like that with games... So, people have been contacted and given free coins and given stuff like this to do certain things, to take a delivery at the house. It might not be just straight into the bank or physical cash... Sometimes the FIFA world is everything to them – all they want to do is get certain players."

Senior Service Manager

Interviewees explained how these methods can also acclimatise a young person to financial transactions as part of their online relationship with an exploiter. Some professionals reflected that the gaming companies specifically design features that persuade or oblige gamers to spend money on an ongoing basis⁸, which may reduce a young person's awareness of, or resistance to, being exploited in this context.

Use of sexual images

Some interviewees described how exploiters may deceive young people into posting sexual images of themselves online and then demand they make financial transactions under threat of the image being shared:⁹

"There was a young female. It started as (intimate or sexual) image exchanging for money. She was then told that she could make money a lot quicker if she sets up a bank account, basically. And (she) was asked to transfer money from one account to another account to another account to another account without kind of really understanding what was happening and what was going on... (but also)... with the expectation at some point that she would see a financial gain to it."

Strategic Senior Leader

Face-to-face methods

Most of the young people who were being supported by the specialist practitioners we interviewed were already being sexually or criminally exploited – for example, to transport and sell drugs including as part of 'County Lines' – before they were asked or forced to launder money. This meant that a pre-existing abusive relationship with an exploiter may have been the precursor for a request to launder money or to ask their friends or other contacts to do this.

Interviewees said that exploiters may be operating within a local community, but one also gave an example of when an outsider from an organised group based elsewhere had made a visit to an area specifically to meet and recruit young people:

"He stood there wearing the clothes, wearing the wealth, wearing the chains, and he just said to these kids "If you want to earn this money, all you need to do, so you need to sell and some of you need to get bank accounts for me". And all the kids went, "Yeah. All right." That's all it took. "Yeah. All right, I'll do it," and that's it."

Regional Exploitation Practitioner

2b. Factors that may contribute to vulnerability to exploitative money laundering

Interviewees were careful to note that there was no set of distinguishing features among the young people who use their services.

"I had a particular narrative when I first started, but it's changed significantly due to the different types of young people I've met... I had a perception, but now it's changed due to the amount of young people I've worked with [responding to financial exploitation] and they all come from different demographics and backgrounds."

Regional Exploitation Practitioner

There were, however, factors that specialist practitioners had found through their work could contribute to increased vulnerability to exploitative money laundering for individual young people. These are outlined – with some examples from the interviews – in Table 2.

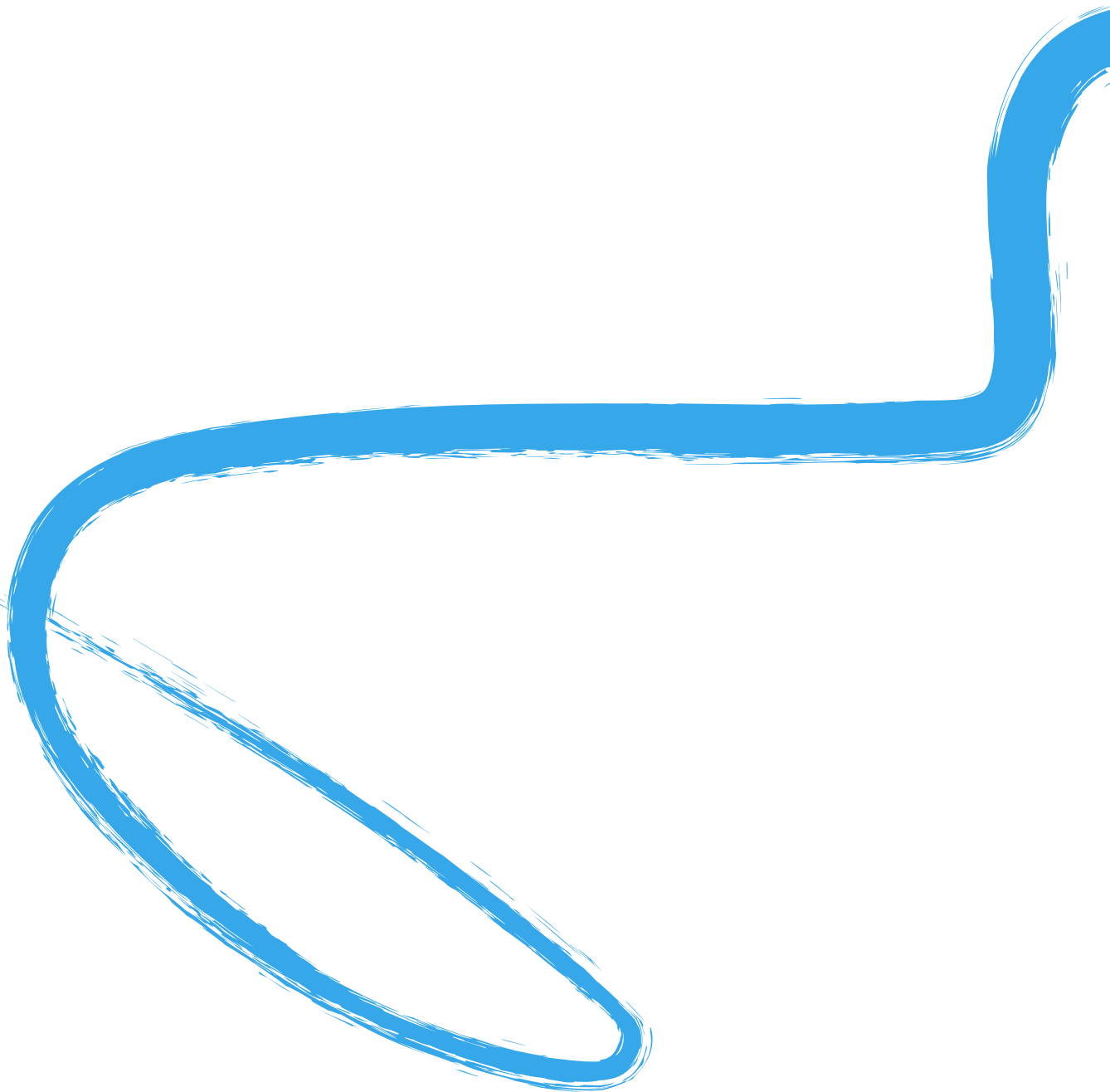


Table 2: Factors contributing to exploitative money laundering 10

Factor	Examples
Gender – a higher prevalence of boys/young men	<p>“Like I said, of the 20 young people in [name of local area], two of them were girls...” – Regional Exploitation Practitioner</p> <p>“I would say, unfortunately it's the classic [thing] of if there is financial exploitation that we're seeing, it's the females with the sexual exploitation. It's the males with the criminal exploitation. I would say that that is probably the overarching side of it.” – Strategic Senior Leader</p>
Living in poverty and with parents /carers with support needs	<p>“Mum worked three jobs, so they barely saw her as well, and they were struggling financially – which is probably what led to him feeling like he needs to get some money from someone.” – Regional Exploitation Practitioner</p> <p>“There's not much going on, so lots of them just hang around in the town and they hang in big groups. You'll see hundreds of kids there – that's just where they go, but it's not hard to find them.” – Regional Exploitation Practitioner</p> <p>“There's a lot of drug use in these areas, they know there'll be a lot of vulnerable young people there. Violence in the household. So, these kids are very susceptible to this. And these people [potential exploiters] knew that as well.” – Regional Exploitation Practitioner</p>
Living in affluent families	<p>“I think sometimes just because of what's needed for it [money laundering] to happen, yes, sometimes they are from a higher socioeconomic background because the poorest of the children we support often don't have bank accounts.” – National Exploitation Practitioner</p>
Exclusion from or non-attendance in mainstream education	<p>“Children and young people open to the [exploitation] service are often either excluded from education or on the cusp of exclusion from mainstream education. Their self-esteem and confidence is often low.” – Regional Exploitation practitioner</p>
Drug use	<p>“It starts off with cannabis. The kids are smoking cannabis... Then they're given a bit of free drugs, and then it's like, “Nothing's free, mate”. They incur a debt and then they are either encouraged to sell and then made, in these two cases that I'm thinking of, they are then arrested, charged with possession with intent to supply. They've lost those drugs, so their debt increases, and they're forced to money launder.” – National Exploitation Practitioner</p>

<p>Neurodivergence and learning disabilities</p>	<p>“I believe they [young person being financially exploited] was diagnosed with ADHD... and it was it was very acute is what I would say.” – Regional Exploitation Practitioner</p> <p>“Do you know what, every case I've had where there's been financial exploitation, they've been neurodivergent.” – National Exploitation Practitioner</p>
<p>Children known to social care</p>	<p>“In terms of some of the patterns and trends, some of our cohort of young people as I've mentioned before are in local authority care. So, they've either been looked after or put in placement or are in custody unfortunately.” – Service Manager</p> <p>“He already had a bank account and the foster carer knew that she hadn't supported him to do that, and it was very unlikely that he would do it himself. He also had no need to open that new account, which sort of raised alarm bells amongst the professionals. And he'd been moved out of that placement. But he was sort of desperate to get back to get that letter and was phoning the foster carer and saying, like, can you keep it safe? I'm going to come and get it. Don't open it, which was when everyone started thinking there's something off here, because if it's just a bank card in there for him, he wouldn't really care if she opened it.” – Regional Exploitation Practitioner</p>
<p>Existing exploitation</p>	<p>“He's still very much entrenched. He was drug running, he is drug running. On one occasion he was asked to move money by the gang elders. They transferred money into his account, and he had to transfer it back out.” – Strategic Senior Leader</p>
<p>Migrants and refugees</p>	<p>“English might not be their first language. [They are] struggling, not understanding the (banking/legal) system and just taking an opportunity which they believe will help them.” – Regional Exploitation Practitioner</p>

2c. Contextual contributors to financial exploitation

A theme that resonated across the accounts of interviewees was the relevance of the broader context of many young people's lives. Their reflections on the backdrop for their work spoke to a complex and nuanced interplay between different systemic factors that could contribute to a young person becoming exploited to launder money.

Deep poverty and financial strain on families

One such factor for some young people was daily exposure to poverty and material deprivation. Interviewees talked about how the 'cost of living crisis' – a protracted period of austerity – and the long-term impacts of the COVID-19 pandemic had hit many of the families they worked with hard. They explained that financial stress had led to desperation for some families about how to make ends meet – and, as a result, to less scrutiny from parents or carers about the source if a young person was able to contribute to the household budget.

"The families, they're not involved necessarily in the exploitation of the child, but they're from such a low economic background, they're poor. [Using] Food banks. No gas, no 'lecky', all that. And there have been times when they have financially benefited from that [exploitation]. So, they're not necessarily exploiting the child, but needs must. And they're kind of casting a bit of a blind eye because they [the young person] can withdraw some of the money and you know, give the parents a little bit of money. So, it's really difficult, isn't it? It's really difficult."

National Exploitation Practitioner

The normalisation of offending and illegal drug use

Interviewees suggested that ignoring the source of money that a young person might 'earn' might lead to a normalisation of offending among some families – and, thereby, to a fertile context for child exploitation to take root. At the same time, these communities were distrustful of the police, and moving money on behalf of exploiters was regarded by young people and their parents/carers as a 'low risk' option, less dangerous than taking on a role within illegal drug supply. In addition, young people and their families were aware of others (friends, peers or adults in their community) engaging in money laundering – reinforcing the sense that this was a widespread and acceptable way to acquire money themselves.

Adding a further dimension to this, some interviewees explained that the potential to be drawn into moving money on behalf of criminals could be exacerbated by the normalisation of substance misuse within some communities – that many young people they worked with were habitual users of illegal drugs (largely cannabis), in common with many other young people whom they associated with every day. In some instances, it was claimed that this was to manage the symptoms of Attention Deficit Hyperactivity Disorder (ADHD), whether officially diagnosed or not.

"And because everyone's doing it [smoking cannabis], they [children and young people] think that it's OK and because of the lack of education of the parents that we're working with around cannabis and things like that, if they're [children and young people] asked to hold cannabis, which you know, can lead to so many things [like exploitative money laundering], and their parents smoke cannabis as well, then it can be seen as is perfectly normal. I'm allowed to do it. I don't understand what the problem is."

Senior Service Manager

Families as 'exploiters'

Interviewees also added that parents/carers themselves might become agents of their child's financial exploitation. This, they said, could happen in two ways:

- Indirectly, for example by becoming dependent on the financial contribution of a child/young person, thereby putting additional pressure on their child to maintain their involvement in offending, exacerbating the likelihood of ongoing exploitation.
- Directly, by misappropriating money that had been provided for or belonged to their child (e.g. money they received to support their education or from welfare benefits).

One interviewee reflected on a situation where a young person had become responsible for managing a parent's debt:

"He [young person aged 16] was sort of moving money to [father's name]. His dad is currently in prison and his dad has a drug debt, and he [young person] was sort of transferring money to different bank accounts. The police were also trying to track them and see where they [the money transfers] were all going and where the money was actually coming from."

Regional Exploitation Practitioner

The possibility that parents or carers could themselves have a stake in the financial exploitation of their child – as a beneficiary of the rewards that might accrue when a third party is the exploiter, or when they become the exploiter – highlights the potential breadth and complexity of this issue and the significant challenges that may surface in working to address exploitative money laundering or other forms of child financial exploitation.

Materialistic culture and adolescent development

Other important contextual influences on young people that interviewees explained could contribute to involvement in child financial exploitation were related to the predominance of a culture that promotes an acquisitive and materialist view to young people – one that prioritises ownership of the 'right' clothes, trainers and jewellery and promotes active displays of wealth. Interviewees reflected that young people experience constant exposure to this through social media and other channels and some may feel their only route to 'success' and acceptance from their peers is to make 'easy' money (at least in terms of how exploitative money laundering is portrayed to them):

"We've seen a lot of advertising wealth on Snapchat in particular ... pictures of people holding loads of money, driving fancy cars with messages saying 'I helped a single mum today. I helped a young person who wanted to get into university. I've helped with this' – and they'll show all this wealth and all this money and these credit cards and stuff like that ... [and] how easy it is 'All you've got to do is this [exploitative money laundering]'."

Senior Service Manager

As noted by some interviewees, for many of the young people they worked with, as well as being focused on material gain, the 'cultural norms' that were reinforced in their consumption of online content were those related to youth violence, crime, and drug use.

This links to the issue of growing up in poverty or material deprivation [of having no access to money to spend on expensive goods], as outlined above, but also to normal adolescent

development, when the need to build a sense of self, to feel that one 'belongs' and has the approval of one's peers becomes paramount.¹¹

Interviewees were also careful to point out that the illusion of easy money was mainly linked to recruitment to exploitative money laundering, but that if a young person became exploited they may not have received financial rewards, at the outset or if/when the exploitation progressed.¹²

2d. The potential impacts of exploitative money laundering on young people and their parents or carers

Based on their experiences from practice, the exploitation practitioners who were interviewed talked about a range of potential impacts that young people, or their parents or carers, might suffer as a consequence of involvement in exploitative money laundering. These ranged from practical, disruptive consequences through to severe physical and emotional harms – although it is important to bear in mind that these examples came from work with young people, most of whom were already experiencing abuse and harm via criminal or sexual exploitation (i.e. they represent challenging situations and may not represent all the types of impact that could happen in other circumstances of exploitative money laundering).

Impact on the finances and life opportunities of young people and their families

Interviewees explained that some young people who experience exploitative money laundering may encounter difficulties in opening bank accounts, impacting their ability to participate in education, employment, and apprenticeships:

“The two young boys that we were supporting to go into apprenticeships, when we went into the bank with them on the second appointment to try and advocate and say they are a victim of exploitation... Even the police had written a statement saying... ‘We [the police] feel they are victims.’ ...The only response we got from the bank was they understand [and] that they agree with what we're saying, [but] until the investigation is over [the bank] cannot give that young person an account.”

Regional Exploitation Practitioner

Interviewees described that families under investigation after their child had opened a 'rogue' account had sometimes faced severe spending restrictions, especially where joint accounts were frozen or closed. This can make it challenging to cover essential expenses like utilities and groceries and may lead to the use of food banks and potential longer-term issues in mental health due to severe stress and financial hardship.

Impact on the mental wellbeing of young people and their families

Interviewees recounted stress and anxiety caused by the financial issues for both the young people directly involved and their families.

“I think that it's not on people's radars. There is a real lack of understanding of... the impact that it has on the young person, not just terms in terms of the criminalisation or in terms of opportunities for future mortgages, you know that sort of thing. But actually, what traumatic impact it has on young people. I think that it's seen as something that

you've done... a "silly choice" that they've made, but they haven't seen the impact on the young person in terms of their own emotional wellbeing."

Strategic Senior Leader

Interviewees explained that some parents felt an emotional burden, blaming themselves for their child's exploitation, perhaps because they had opened the bank account with their child or because they had not kept a close eye on how they were using it:

"Mum blamed herself because she helped her [daughter] set up the bank account, you know, [she] turned 13, 'Let's set up a bank account!'. So, there was the aspect of mum partially blaming herself because she thought she was doing a good thing in teaching her young person responsibility."

Strategic Senior Leader

Impact on the safety of young people and their families

For many of the young people and families that the interviewees had worked with, the overlap between exploitative money laundering and other abuses could be the basis for exposure to severe threats, intimidation, or serious harm. The threats described during the interviews included physical violence, such as men in balaclavas visiting a family's home in the middle of the night, and threats of petrol bomb attacks. Sexual assaults and other violent acts, including a shooting, were also provided as examples of the broader outcomes of being involved in exploitative money laundering.

"It came up quite a few times [whilst working in a specialist violence reduction service in a hospital] where a young person would say, oh, you know I owe someone some money through, they said a money move. I did a money move and it didn't work out and now you know I'm in hospital, and that's from gunshot wounds, stabbings, serious GBH, and this is to children [who are] 15-year-olds, 16-year-olds, 17-year-olds."

Regional Exploitation Practitioner

2e. Signs and indicators of a child's exploitation through exploitative money laundering

Interviewees outlined a number of indicators of exploitative money laundering, some directly related to a young person's banking activity, others to associated behaviours that may show that they are being exploited financially. These included:

- Having their account frozen (perhaps temporarily to investigate 'suspicious activity') or closed.
- Frequently opening/closing multiple accounts, or other financial products (e.g. top-up debit cards):
- Moving large sums of money through an account(s).
- Being refused a request to open a new account.

- Saying that a 'friend' – including a 'boyfriend'/'girlfriend' had used their account(s) or borrowed bank cards.
- Using a parent's/carer's account.
- Showing changes in spending habits or possessing more (or less) cash than usual (e.g., having lots of new clothes or, where expectations of reward have not been met, asking for support with acquiring basic items or referral to a food bank).

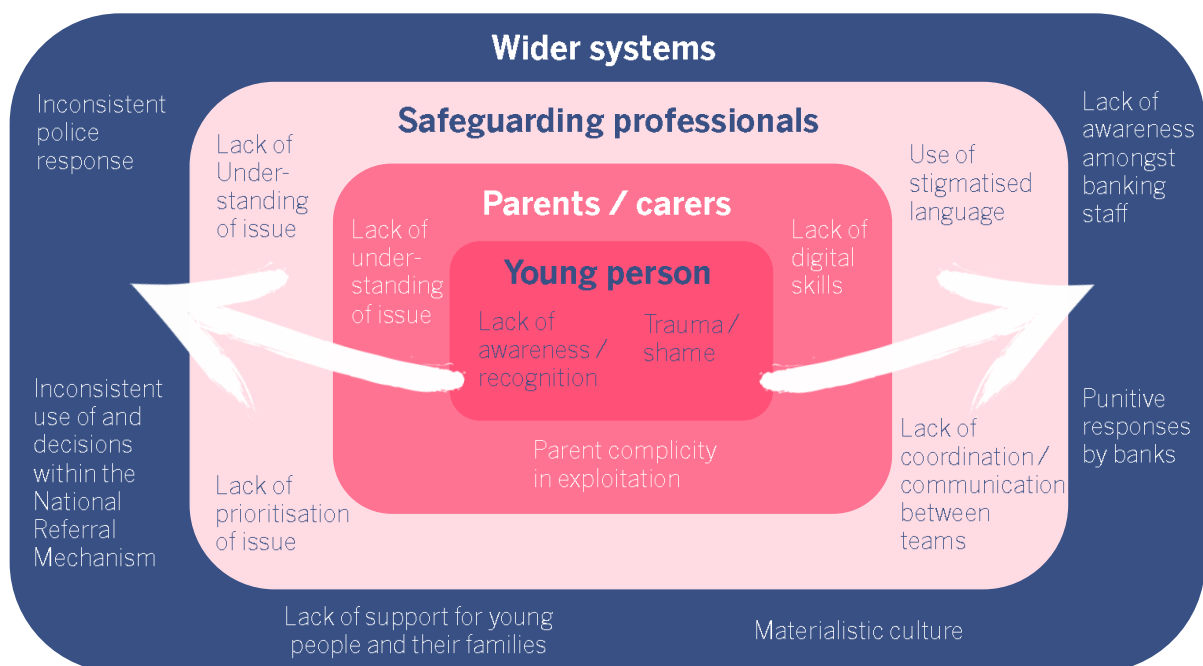
"If a young person came to possess an unusual amount of money, money that we couldn't explain if they had no job ... that would definitely raise suspicions. And I would very likely be concerned in that case that it was some form of financial exploitation or that money had been obtained illegally, or... it was being put in that child's possession or care for illegal purposes."

National Exploitation Practitioner

2f. Barriers to identifying child financial exploitation

Although these signs can suggest potential exploitation, interviewees highlighted key barriers to identifying exploitative money laundering. Below, we have separated these into barriers related to the young person, parents/carers, safeguarding professionals, and wider systems. These barriers are summarised in Figure 1.

Figure 1. Barriers to identifying exploitative money laundering for young people and those around them.



Barriers related to the young person

A key barrier to identifying child financial exploitation is that the young people themselves do not recognise it or consider themselves to be involved in it.

In some cases, exploitative money laundering has been a series of online, depersonalised transactions, making it difficult for the young person to understand the risks they are exposed to, especially when they receive rewards for their actions. In other examples, the young people have an established relationship with the exploiter and may be unable to recognise that they are being exploited.

"It's so clear that a lot of the children don't even realise that they are being exploited. They think these people are their friends. They think they've got their best interests at heart."

National Exploitation Practitioner

As interviewees noted, the terms 'exploitation' and 'grooming' do not resonate with young people.¹³ In part, this is because they are closely associated with child sexual abuse and, as a result, are stigmatised for many young people:

"They know what 'grooming' is in a sexual exploitation context. But you use the word 'grooming'... [and they say] 'I've not been sexually groomed.' And it's like, well, I'm not talking about that. I'm talking about the 'grooming process', the befriending process, then how the exploitation creeps in."

National Exploitation Practitioner

In addition, young people whose experiences of exploitation extend to serious harms may be too traumatised to disclose what has happened to them.

Barriers related to parents/carers

Interviewees said that the widespread lack of knowledge and understanding of the issue meant that few parents or carers were aware that child financial exploitation could happen or was happening to their child. Furthermore, many parents/carers may lack the digital skills or knowledge of apps or online banking to be able to effectively monitor their child's activity in these spaces.

"I ask a lot of parents, 'Do you know what Twitch is?' [They say] 'No.' 'Do you know what Roblox is?' 'No.' 'Do you know what a 'skin' is?' 'No.' I've got some parents who still ring up the bank and ask them to transfer money from one account to the other. I find that is the biggest barrier, actually, the technology, because that's where you can first start spotting the signs."

Regional Exploitation Practitioner

As mentioned earlier in the report, there are also instances where parents/carers have become complicit in the exploitative money laundering, making it more difficult for those outside the home to identify it and intervene.

Barriers related to safeguarding professionals

Some of the same barriers to the identification of exploitative money laundering also pertain to professionals who work with young people and their families. A general lack of awareness of this issue means that many are unlikely to consider that it could be taking place or recognise the indicators. In addition, the prospect of asking a young person about their financial activities, or parents / carers to survey or monitor them, is not part of a recognised approach to support for young people or families and might be seen as being outside the remit of a practitioner.

"I feel like professionals know what it is. But maybe it's just not so much on the forefront. I feel like there's just a lot of focus on criminal exploitation, which people just look at as like drug dealing, sexual exploitation, and knife crime. I feel like they're what everyone thinks about."

Regional Exploitation Practitioner

Related to this lack of awareness, interviewees suggested that there is sometimes a perception that money laundering is not directly harmful in the same ways as other forms of child exploitation. There may also be a lack of clarity around whether a young person is a 'victim' or a 'perpetrator' of exploitative money laundering. Interviewees suggested that the issue may therefore be overlooked or not considered as much of a priority as other safeguarding concerns.

They also highlighted the high turnover in support services staff, which can hinder effective communication and coordination around the issue.

Barriers related to wider systems

The exploitation professionals who were interviewed also pointed out that fundamental weaknesses in relevant systems meant that exploiters were provided with a platform to manipulate or coerce young people into laundering money. They claimed that the absence of adequate, rigorous checks meant that it was straightforward for young people to set up online accounts using their parents' or guardians' proofs of identification. There was also a more general lack of awareness of the issue amongst those within wider systems. Some of these systems are outlined further below.

▪ Police response

Interviewees described inconsistent responses from the police in potential child financial exploitation instances as a barrier to effective support for the young person. Specifically, they suggested that there were varying levels of awareness of the issue within and between police forces, and inconsistent responses to the young person and the situation, including whether to pursue the young person themselves with criminal charges or to approach with a safeguarding response.

Interviewees also explained that often there were multiple obstacles to providing the support that could protect a young person or their family from further harm. These related to legal processes, including:

- Lengthy and difficult financial investigations, not tailored to the needs of children and young people, which take precedence over a supportive approach.
- The legal complications of complex money laundering cases (e.g. those including cross-jurisdictional issues, such as transatlantic investigations) – which can make investigation and resolution very protracted.
- Challenges for the police in obtaining responses from social media companies (especially when Internet Protocol (IP) addresses are traced to other countries) can lead to delays in resolving cases.

▪ **The National Referral Mechanism (NRM)**

The accounts of the exploitation practitioners who were interviewed suggested that there was a lack of clarity around whether potential exploitative money laundering was, in itself, sufficient grounds for referring a young person to the NRM. Furthermore, for those who had been involved in situations that had been referred to the NRM, they described a lack of consistency in how exploitative money laundering had been regarded:

- One young person was recognised as a victim of Modern Slavery through the NRM, however the decision did not recognise their experience of exploitative money laundering.
- In another instance the NRM referral was useful in preventing a young person or their parents / carers from being charged for fraudulent money laundering.

▪ **The role of banks**

Interviewees discussed their understanding or experiences of banks' responses to possible child financial exploitations. Again, a general lack of awareness of the issue amongst banking staff was noted, along with a tendency to view the young person as a perpetrator of a crime rather than someone who has or may have been exploited.

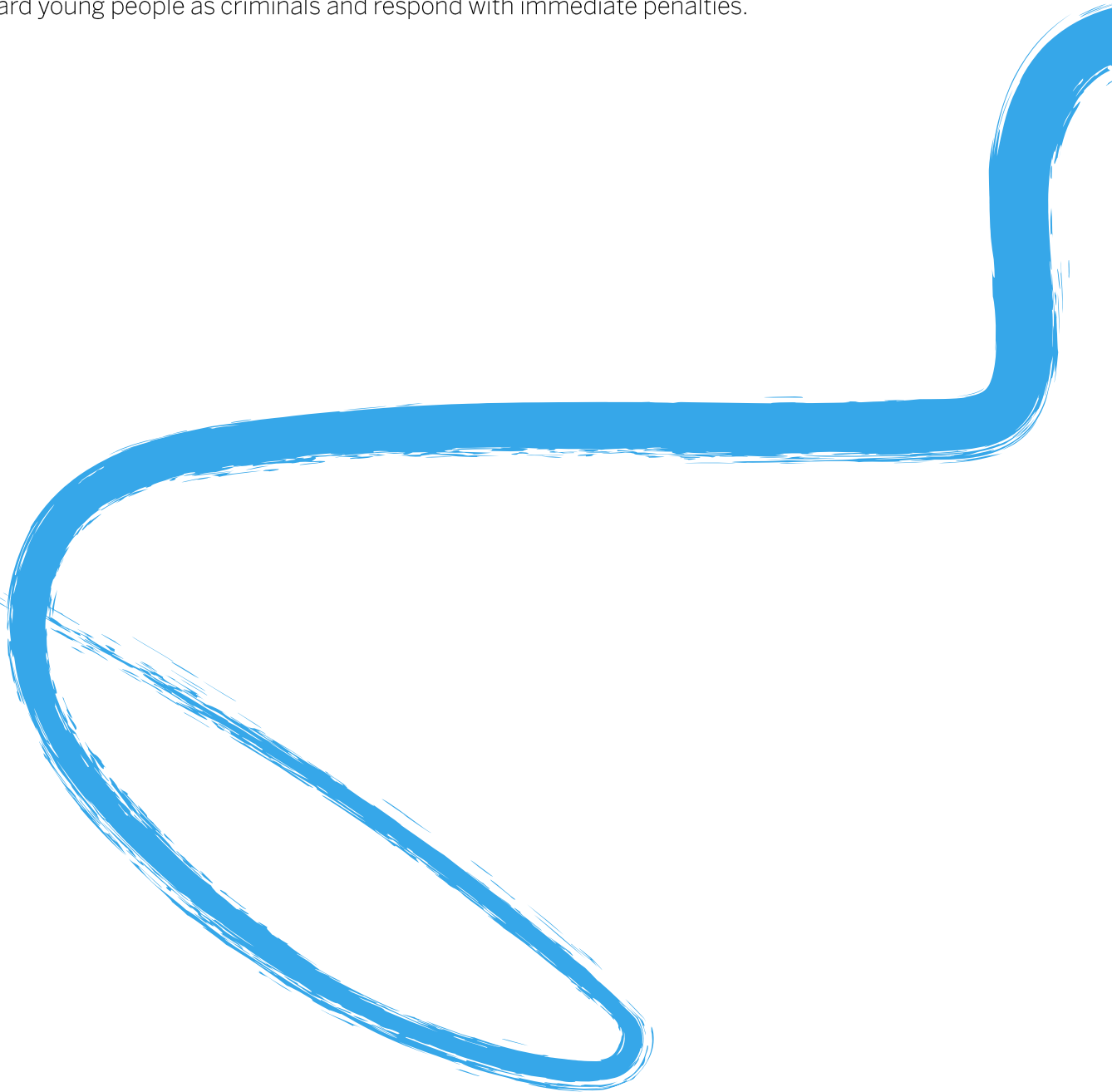
"I think there's frontline staff in banks that don't really know what's going on. Your bank account has been closed. That's all I can tell you. Whereas if they understood what that what was going on and they're able to support or signpost that would be brilliant, if it was an individual within their community that they could sign post that young person towards if they have been exploited, that'd be brilliant."

Regional Exploitation Practitioner

Throughout the interviews there were reflections around the banks most often being the first to have the information to spot potential exploitative money laundering, but none of the specialist practitioners could recollect an experience of when a bank had proactively contacted parents / carers or safeguarding professionals including police. Instead, they said that negotiating communication lines with financial institutions had been challenging. An example was given of when an interviewee had telephoned a bank directly to try to discuss the context around the transactions related to a young person's account, but they had been met with an unsympathetic response.

Indeed, when specialist exploitation practitioners had alerted banks of the possibility of exploitative money laundering via a young person's account, their experience of the bank's response was an immediate freeze on the young people's accounts. Interviewees suggested

that, in most situations, there had been little interest in or inquiry as to the wider situation (including the age of the account holder), or offers to make alternative provision so that the young people would retain access to their money and to banking services. Interviewees suggested that the ways many banks were operating suggested that their default position was to regard young people as criminals and respond with immediate penalties.



Summary of the findings and their implications

Summary

This research provides insights into a form of child exploitation that has only recently been identified. Professionals described that:

- The term "financial exploitation" was rarely being used in interactions with fellow professionals and never when working with young people themselves.
- Exploitative money laundering – currently regarded as being a type of child criminal exploitation – may be widespread. Young victims may be financially exploited as an extension of other pre-existing, ongoing exploitation, but also in isolation – where young people's contact with their exploiter may exclusively be online and short-lived.
- Recruitment methods to exploitative money laundering span a wide range of ways of approaching young people – both online and face-to-face. These involve relationship building as part of manipulating a young people into taking part – a process that has been referred to as 'grooming'.
- A wide array of characteristics or experiences potentially contribute to a young person's vulnerability to becoming exploited, highlighting the challenges and complexity that practitioners face in identifying exploitative money laundering, many of which were similar to those linked to vulnerability to other forms of child exploitation.
- Young people with whom professionals worked had become exploited for reasons beyond discrete characteristics or circumstances that might make them vulnerable. These included family poverty, which may lead to parent/carer complicity in this form of exploitation, the normalisation of offending in some communities, and a materialistic culture promoted to young people, often via social media.
- There was a general lack of awareness and understanding of child financial exploitation by young people themselves, their parents or carers, and other services (including police and banks) in the wider system, which was a barrier to identification and provision of support.
- Within the safeguarding profession, there are varied and inconsistent responses to exploitative money laundering, and a misconception among many professionals (and parents/carers) that exploitative money laundering is 'less harmful' than other forms of child exploitation.
- Banks or other financial institutions were perceived as prioritising the prevention of fraudulent activity over protecting young people, leaving young people or their families with no access to their bank accounts.
- Exploitative money laundering can have severe and long-lasting consequences for both children and families affected, including impacts on finances, education and employment prospects and, in some cases, young people experiencing sexual abuse, physical violence, and immediate threats to their lives.

Implications and considerations of our findings

Most of the accounts and reflections shared by interviewees focused on what might be seen as more complex examples of exploitative money laundering. This provided insights that counter some current understanding of exploitative money laundering – for example, that it is largely driven by online recruitment through social media or gaming, and can be more short-lived than other forms of child exploitation. Specialist professionals highlighted a variety of offline, face-to-face methods used by exploiters – suggesting that there is a need to learn more about the potential diversity in how young people come to be exploited.

The findings reported here represent the views and experiences of a specific group of professionals who are already engaged in working to address and prevent child exploitation – including County Lines – other forms of child criminal exploitation, or child sexual exploitation. Their experience of exploitative money laundering was as a secondary form of exploitation. Given the potential scope of exploitative money laundering, our findings may represent a relatively narrow perspective, albeit a well-informed one. As a result, caution should be exercised in applying the findings too readily and too widely, since they are unlikely to show the full picture.

It is also worth noting that the specialist professionals who were interviewed expressed caution around what they relayed. They said that exploitative money laundering and other forms of child financial exploitation were issues about which they knew little, were least confident to discuss, and least equipped to address. This sentiment may run counter to the richness of the material they shared, but it conveys a helpful and wise humility about the value of their insights – whilst at the same time, reinforcing a key message that flows from the research. This is that even those in the specialist child exploitation sector feel underinformed and ill-equipped to respond effectively.

The urgency of improving understanding, awareness and responses to exploitative money laundering, and child financial exploitation more generally, points to the need for:

- More research, into (i) conceptualising 'child financial exploitation' and establishing a robust typology (ii) understanding the scale of exploitative money laundering – likely requiring the cooperation of banks and other financial institutions (iii) exploring how exploitative money laundering 'works' and how it can be addressed, with those working in law enforcement and the finance sector (iv) safely eliciting the first-hand accounts of young people, parents and carers, to ensure that those with lived experience are heard and help to design and inform effective solutions.
- Greater collaboration between the financial industry and relevant agencies including social care and the voluntary sector to effectively safeguard young people.
- Consultations to ask young people and their parents/carers how they think information on exploitative money laundering can best be shared to help to prevent young people from being exploited in this way, and to find out how young people who experience child financial exploitation could be better supported.¹⁴
- Training and awareness-raising on exploitative money laundering – for all professionals with a safeguarding role, for the police, and for staff working in banks and financial services. Extending this to those working in policy and decision-making roles will also be essential.

Over time, it will be vital to blend the findings from research with learning and evidence from practice (including policing and banking practices), along with consultation with young people, to refine and improve responses to exploited young people and families and to revise policies. Together, as a short-to medium-term strategy, this could help to prevent and disrupt exploitative money laundering and improve the safeguarding of young people and families who experience this form of child exploitation.

And – to give the final word to the participants in this research – a plea was made to ensure that a collaborative approach is used where possible in working with parents and carers to safeguard young people:

“[I would advocate] a holistic approach and engaging parents because they know about knife crime. They know about a lot of other contextual harms because there's been a great deal of emphasis on that. So, I think the same amount needs to take place with financial exploitation. I think that's a holistic approach and that will be in relation to parents and professionals who are looking after children.”

Regional Exploitation Practitioner

What next?

As part of our work to support better understanding and action to address exploitative money laundering and other forms of child financial exploitation, The Children's Society plans to conduct further research over the next year – including finding out more about the views and experiences of professionals whose role brings them into contact with exploited children and young people. The intention is for this to include professionals within the banking and finance sector alongside those in social care, education, and law enforcement, bringing together diverse professional perspectives. Through this and other intelligence gathering and data collection, it is hoped that a better picture can be built of the challenges and complexities that exploitative money laundering and wider child financial exploitation present, as well as compiling insights on how to progress work to better support young people and their families.

For more information, please contact Prevention@childrenssociety.org.uk

Glossary

<p>Attention Deficit Hyperactivity Disorder (ADHD)</p>	<p>A condition where the brain works differently to that of most people. Children and young people with ADHD may have trouble with things like concentrating, having high energy levels and their ability to control their impulses. (NHS website)</p>
<p>Child criminal exploitation</p>	<p>Currently, there is no statutory definition for child criminal exploitation.</p> <p>The Serious Violence Strategy (2018), defines child criminal exploitation as:</p> <p>“...where an individual or group takes advantage of an imbalance of power to coerce, control, manipulate or deceive a child or young person under the age of 18 into any criminal activity (a) in exchange for something the victim needs or wants, and/or (b) for the financial or other advantage of the perpetrator or facilitator and/or (c) through violence or the threat of violence. The victim may have been criminally exploited even if the activity appears consensual. Child criminal exploitation does not always involve physical contact; it can also occur through the use of technology.”</p> <p>At The Children’s Society, we instead define child criminal exploitation as “when a child under the age of 18 is being encouraged or forced by an adult to take part in an activity that constitutes an offence under British legislation.”</p> <p>Criminal exploitation presents in myriad ways, and affects children from all backgrounds, including British children, non-British children living in this country and children trafficked into the country for this purpose. They may be forced to ‘work’ in cannabis factories, to carry out pickpocketing, to distribute drugs, commit theft or burglary, or to take part in money laundering and financial fraud.</p>
<p>Child financial exploitation</p>	<p>Currently, there is no statutory definition for child financial exploitation. At The Children’s Society we define it in the following way:</p> <p>“Child financial exploitation is a form of abuse. It occurs when an individual or group takes advantage of an imbalance of power to encourage or force a child under 18 to undertake a financial activity that benefits the perpetrator or facilitator. The perpetrator(s) might coerce, control, manipulate, or deceive the young person. This activity is often criminal and therefore is a form of child criminal exploitation. It includes but is not limited to money laundering and wider fraud.”</p>

<p>Child sexual exploitation (CSE)</p>	<p>‘Working together to safeguard children, 2023’ defines child sexual exploitation as the following:</p> <p>“Child sexual exploitation is a form of child sexual abuse. It occurs where an individual or group takes advantage of an imbalance of power to coerce, manipulate or deceive a child or young person under the age of 18 into sexual activity (a) in exchange for something the victim needs or wants, and/or (b) for the financial advantage or increased status of the perpetrator or facilitator. The victim may have been sexually exploited even if the sexual activity appears consensual. Child sexual exploitation does not always involve physical contact; it can also occur through the use of technology.”</p> <p>However, at The Children’s Society we use a different definition which seeks to move away from the concept of ‘exchange’:</p> <p>“Child sexual exploitation is a form of child sexual abuse. It occurs when an individual or group takes advantage of an imbalance of power to encourage or force a child or young person under 18 into sexual activity that benefits the perpetrator or facilitator. The perpetrator(s) might coerce, control, manipulate or deceive the young person. The victim may have been sexually exploited even if the sexual activity appears consensual. Child sexual exploitation does not always involve physical contact and can also take place online and through the use of technology.”</p>
<p>County Lines</p>	<p>County Lines is the name given to the transportation of illegal drugs from one area to another, often across police and local authority boundaries (although not exclusively), usually by children or vulnerable people who are coerced into it by organised criminal groups. The ‘County Line’ refers to the mobile phone line used to communicate and facilitate the movement of drugs, however there is now recognition among law enforcement leads that this is a somewhat outdated description given that much of the communication now takes place online, often via social media. Importing areas (areas where the drugs are taken to) often report increased levels of violence and weapons-related crimes as a result of this model. (NCA website)</p> <p>The Children’s Society considers County Lines as one of many forms of child criminal exploitation</p>
<p>National Crime Agency (NCA)</p>	<p>The National Crime Agency leads the UK’s fight to cut serious and organised crime, protecting the public by targeting and pursuing those criminals who pose the greatest risk.</p>
<p>National Referral Mechanism (NRM)</p>	<p>The National Referral Mechanism is a framework for identifying and referring potential victims of modern slavery and ensuring they receive the appropriate support.</p>

Possession with intent to supply (PWITS)	An offence that involves possessing illegal substances with the intent to give or sell them to others.
Language and terms specific to online gaming	
Coins or V-bucks	These are forms of virtual currency which are often present in online games (and particularly those which are 'free-to-play' and are needed to unlock content to varying degrees. Sometimes this currency can be earned through playing the respective game, however this is often time intensive and it is much easier to purchase them using real-world funds. These games therefore actively incentivise additional spending (again to varying degrees).
Micro transactions	Micro transactions are digital purchases, usually within apps and games where users spend a small amount of money to acquire virtual items or features, unlock additional content or obtain advantages. While the name suggests these are for very small amounts of money, in reality the transaction amounts can vary significantly.
Mods	An abbreviated name for 'modifications' used in online and wider video games to make tweaks to content. These are usually player-created changes rather than ones made by the game developers. They can alter everything from adding new items, characters or levels to improving graphics and sound or even creating entirely new games that use the original as a base to build from.
Skins	The term skins refers to cosmetic items which can be purchased in a wide range of video games and particularly online games which change the appearance of the players character/s or avatar (commonly different clothing options) or the appearance of items these characters use such as weapons or vehicles.
Streaming accounts and platforms	<p>Streaming game accounts or cloud gaming are ways to play video games through a remote server rather than requiring the player to own or install the game locally. Popular examples of these include Xbox Game Pass and PlayStation Plus.</p> <p>Video streaming platforms are also a popular way to share videos of gaming content including playthroughs and live esports competitions. Twitch, mentioned in this report is one of the most successful platforms for live-streaming gaming content and includes functions similar to social media through Twitch communities. These are built around shared interests and vary from small groups within a single streamer's channel to larger networks covering a variety of channels and topics.</p>

Notes

¹ Technically, exploitation can take place within a family, although the concept has largely been applied to extra-familial harm.

² For the current official definition of child criminal exploitation see HM Government, 2018; p48.

³ <https://www.childrensociety.org.uk/what-we-do/our-work/lookcloser>

⁴ The term 'child financial exploitation' is used in this context to emphasise that, until they become 18, young people are legally children. The report mostly refers to 'young people', however, because the limited evidence available suggests that the majority of those who are exploited are aged 13 or older.

⁵ To our knowledge, this is the only published research on child financial exploitation. An online search via Google / Google Scholar found no other research studies / reports on the topic of 'child financial exploitation.'

⁶ Some commentators refer to these, and other elements of how exploiters involve young people in committing criminal acts, as 'grooming' – a term more widely used with reference to the activities of perpetrators of child sexual abuse / child sexual exploitation who are known to cultivate relationships with children prior to abusing them. However, there are inconsistencies around how 'grooming' is defined or applied in the context of sexual abuse (e.g. see Craven et al, 2006) – and, although there is evidence that exploiters in child criminal exploitation or child financial exploitation contexts may look to develop a relationship with a young person it remains unclear how often this happens (for example, there is contrary evidence that some young people put themselves forward to take part in County Lines drug dealing – e.g. Robinson et al, 2019). This suggests that more clarity is needed around how 'grooming' can be used appropriately in this context, and so this research does not refer to 'grooming.'

⁷ These are some of the most popular online games among children and young people and all include the facility for online multiplayer gaming and communication between players. This can allow exploiters to identify and interact with children and young people through text and voice chat – building a relationship that can form the basis for exploitation. Also, all of these games include 'micro transactions' – another route into potential exploitative money laundering or other financial exploitation.

⁸ Known as 'micro transactions.'

⁹ This has also been referred to as 'sextortion', or (by the NCA) as 'financially motivated sexual extortion.'

¹⁰ Re. 'gender' as a vulnerability factor, this may be reflective of the fact that 10 of the 17 exploitation practitioners interviewed worked for services that primarily responded to child criminal exploitation. It is acknowledged that there can be a bias towards boys / young men in referrals to these services (paralleled by a bias in referrals of girls / young women to services focused on child sexual exploitation) (Cockbain and Brayley, 2012; Cockbain, Ashby and Brayley, 2017).

¹¹ See for example, Blakemore, 2018.

¹² This links to the idea that some young people become 'trapped' within child criminal exploitation. However, there is evidence suggesting that young people have different experiences of child exploitation for example, that some may become involved temporarily or sporadically (e.g. Robinson, McLean and Densley, 2019).

¹³ This has been highlighted frequently in other research on 'child exploitation' and can pose significant challenges for families or for professionals (Melrose, 2013; Beckett, 2019; Brown, 2019).

¹⁴ The Children's Society has begun this work – including an initial 'youth voice' report published to coincide with this research.

<https://www.childrenssociety.org.uk/information/professionals/resources/tackling-financial-exploitation>

Bibliography

Andell, P and Pitts, J (2017) Preventing the Violent and Sexual Victimization of Vulnerable Gang-involved and Gang-affected Children and Young People in Ipswich. University of Suffolk.

https://www.drugsandalcohol.ie/27822/1/Preventing_the_violent_and_sexual_victimisation_of_vulnerable_gang_involved.pdf

Blakemore SJ. (2018) Avoiding Social Risk in Adolescence. *Current Directions in Psychological Science* 1;27(2):116–22.

Brewster B, Robinson G, Silverman BW, Walsh D. (2021) Covid-19 and child criminal exploitation in the UK: implications of the pandemic for county lines. *Trends in Organised Crime* [Internet].

<https://doi.org/10.1007/s12117-021-09442-x>

Centre for Social Justice (CSJ) (2024) 'Criminal exploitation: Modern slavery by another name.' London: Centre for Social Justice.

<https://www.centreforsocialjustice.org.uk/library/criminal-exploitation>

Cockbain E, Brayley H. (2012) Child sexual exploitation and youth offending: A research note. *European Journal of Criminology*. 1;9(6):689–700.

Cockbain E, Ashby M, Brayley H. (2017) Immaterial Boys? A Large-Scale Exploration of Gender-Based Differences in Child Sexual Exploitation Service Users. *Sexual Abuse*. 1;29(7):658–84.

Coomber R, Moyle L. (2018) The Changing Shape of Street-Level Heroin and Crack Supply in England: Commuting, Holidaying and Cuckooing Drug Dealers Across 'County Lines'. *The British Journal of Criminology*. 5;58(6):1323–42.

Department for Children, Schools and Families (DCSF) (2009) *Working Together to Safeguard Children*. London: HM Government

<https://dera.ioe.ac.uk/id/eprint/11265/1/Working%20Together%20to%20Safeguard%20ChildrenV2.pdf>

Franklin A, Brown S, Brady G. (2018) The Use of Tools and Checklists to Assess the Risk of Child Sexual Exploitation: Lessons from UK Practice. *Journal of Child Sexual Abuse*. 17;27(8):978–97.

HM Government (2018) Serious Violence Strategy.

<https://assets.publishing.service.gov.uk/media/5acb21d140f0b64fed0afd55/serious-violence-strategy.pdf>

Home Office (2024) 'Money laundering-linked financial exploitation: guidance for frontline professionals.'

<https://www.gov.uk/government/publications/money-mule-action-plan/money-laundering-linked-financial-exploitation-guidance-for-frontline-professionals-accessible>

IICSA (2022) 'Child sexual exploitation by organised networks: Investigation report, 2022.

<https://www.iicsa.org.uk/reports-recommendations/publications/investigation/cs-organised-networks.html>

Jay, A / Action for Children (2024) 'Shattered lives, stolen futures: The Jay Review of Criminally Exploited Children. London: Action for Children

https://media.actionforchildren.org.uk/documents/Shattered_Lives_Stolen_Futures_Report_-_Full_Report.pdf

Missing People & ECPAT, UK (2022) 'Away and at risk: The scale of exploited children going missing from care in the UK, 2018 – 2020.'

https://www.missingpeople.org.uk/wp-content/uploads/2022/03/Exploitation-report-FINAL.pdf?_gl=1*1g58m2n*_up*MQ..*_ga*MTAwMDQ3NzYwLjE3NDExMDM2MjM.*_ga_R04F2M84F3*MTc0MTEwMzYyMS4xLjEuMTc0MTEwMzYyMS4wLjAuMA..

Raws, P (2022) 'Net Gains? Young person's digital lives and wellbeing. London: The Children's Society.

<https://www.childrenssociety.org.uk/information/professionals/resources/young-peoples-digital-lives-and-well-being>

Robinson G, McLean R, Densley J. (2019) Working County Lines: Child Criminal Exploitation and Illicit Drug Dealing in Glasgow and Merseyside: *International Journal of Offender Therapy and Comparative Criminology* [Internet]. 2018 Oct 19.

<https://journals.sagepub.com/doi/10.1177/0306624X18806742?icid=int.sj-full-text.similar-articles.2>

Spicer J, Moyle L, Coomber R. (2020) The variable and evolving nature of 'cuckooing' as a form of criminal exploitation in street level drug markets. *Trends in Organised Crime*. Dec 1;23(4):301–23.

The Child Safeguarding Practice Review Panel (2020) It was hard to escape: Safeguarding children at risk from criminal exploitation.

https://assets.publishing.service.gov.uk/media/5e5e7f47e90e077e3385cb44/Safeguarding_children_at_risk_from_criminal_exploitation_review.pdf

Turner, A, Belcher, L and Pona, I (2019) Counting Lives: Responding to children who are criminally exploited. London: The Children's Society.

<https://www.childrenssociety.org.uk/information/professionals/resources/counting-lives>

Windle J, Briggs D (2015) 'It's like working away for two weeks': The harms associated with young drug dealers commuting from a saturated London drug market. *Crime Prevention and Community Safety*. 2015 May 1;17(2):105–19.

Windle J, Moyle L, Coomber R. (2020) Vulnerable' Kids Going Country: Children and Young People's Involvement in County Lines Drug Dealing. *Youth Justice*. 1;20(1–2):64–7

Across the country, young people's needs are being ignored, with those facing abuse, exploitation, or mental health struggles only receiving help at crisis point.

At The Children's Society, we know a brighter future is possible. That's why we've been working for more than 140 years to reach children where they are to tackle the struggles they face today. We provide complete support that's specific to them and challenge the government to deliver policies that will continue to protect them.

A future of hope and happiness belongs to every child. Together, we can make sure that no child has to face life alone.

Email: prevention@childrenssociety.org.uk

Bluesky: [@TCSPolicy.bsky.official](https://bsky.app/profile/TCSPolicy.bsky.official)

X: [@childrenssociety](https://twitter.com/childrenssociety)

Tel: 0300 303 7000

Report authors: Katie Darlington, Phil Raws, and James Simmonds-Read.

Citation: Darlington, K, Raws, P, Simmonds-Read, J. Moving money : Uncovering the reality of exploitative money laundering and other forms of child financial exploitation. The Children's Society: London; 2025.

© The Children's Society 2025. The copyright of all material appearing in this publication belongs to The Children's Society. It may not be reproduced, duplicated, or copied by any means without our prior written consent. Photos: Yvonne Catterson
Charity Registration No. 221124.