



FNB Education Insights 2026

How South African families prepare for the cost of educating their children

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Lytania Johnson

FNB Chief Executive Officer

The education promise

Why South African families need more than good intentions

For South African parents, education is more than a monthly expense. It is an investment in their children's future and one of the most important financial commitments they will ever make.

Our inaugural 2026 FNB Education Insights shows that parents consistently rank education among their highest priorities, second only to housing. Even when finances are under pressure, many are willing to sacrifice lifestyle spending rather than compromise their children's education.

The challenge, however, is not commitment: it is planning.

Nearly two-thirds of parents underestimate the true cost of education, while many only plan one or two schooling phases ahead, despite expecting to support their children through tertiary education. Costs extend well beyond school fees to include uniform, transport, technology, extracurricular activities and other expenses that increase over time.

Despite some parents having some form of financial plan in place to cover these future costs, many still rely on their current income to meet them in the here and now.

But what families need is not just financial products; they need guidance that helps them understand the true cost of education, plan for future milestones and make informed decisions as their circumstances evolve.

Many families, for instance, are well prepared for the financial impact of death – through life cover or a pension payout – but far less prepared for the everyday disruptions just as likely to derail an education plan, such as serious illness or a sudden loss of income.

By helping families anticipate these risks and make more informed decisions along the way, they can feel more confident that their children's education plans will improve their ability to achieve their long-term aspirations, whatever the circumstances.

When parents invest in education, they are investing in South Africa's future. Supporting that journey benefits not only individual families, but society as a whole.



Context

This inaugural FNB Education Insights Survey was commissioned because we are firm believers in educating future generations for the benefit of society. It is a comprehensive study of how South Africans across the income spectrum think about, plan for and manage the cost of educating their children.

The research combines both qualitative and quantitative findings gathered from parents with children across a spread of school types and phases, and from every major region of South Africa.

The study is built around a single core question:

“How are South African parents paying for their children’s education costs?”

Three audiences, one story

To tell that story, we listened to three distinct age groups, each experiencing the education journey from a different vantage point:

18–35



Still at the planning stage with younger children – caught between hope for their child’s future and uncertainty about how to make it happen.

36–54



Living the cost reality of schooling – feeling the pressure to provide the best, while wondering if they’re doing enough.

55–64

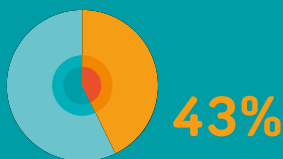


Looking back on the journey – proud for getting through it but possibly carrying regret or guilt over what they weren’t able to provide.

Four household profiles, four cost realities

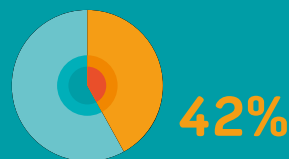
Not every education journey looks the same

The education costs are best understood at a household level. It's determined by how many children are in school, where they attend, and how much of the family's income is allocated to their future. Four distinct household profiles emerge from the data, each with its own cost pressures.



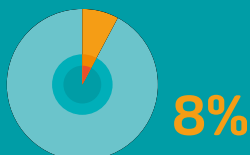
Primary phase, single child

The entry-level household: one day scholar, usually in primary school. Moderate total costs (R33k per annum) and balanced income (R80k per month*). Younger parents, more likely middle income, fewer products on average.



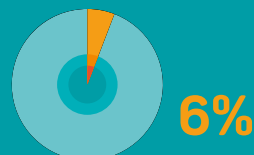
Multi-phase, high school

Two children spanning phases, all day scholars – the peak-pressure years. Materially higher total costs (R67k per annum) than primary school despite similar income, reflecting the complexity multiple phases bring. Parents are around 42 years on average.



Tertiary households

Usually one scholar, mostly in tertiary. The highest income (R175k per month*) and highest total spend (R90k per annum) of any segment. Per-student cost peaks here – the culmination of the household's long-term education investment. Older parents.



Boarder households

At least one boarder, higher income, half are multi-phase. A distinct high-intensity group: exclusively boarding, higher income (R125k per month*) and elevated total costs (R56k per annum) – the cost multiplier of boarding decisions. Younger but higher income.

* Calculated on average monthly household income



Key insight

A household with more than one child in education can spend significantly more than parents have budgeted for, given that the costs of a second child arrive well before any extra income does.

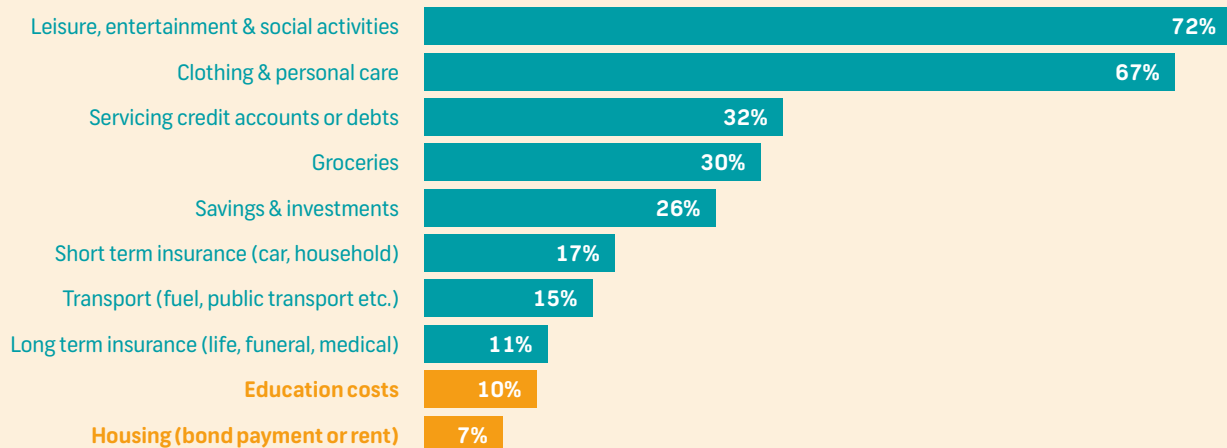
Every parent wants to give their child the best

Education is the expense parents protect

For parents, education isn't just another item on the household budget. It's one of the ways they measure whether they've given their child the best possible start.

Parents see a home and education as core to a child's stability, so they would rather downgrade their own lifestyle than disturb the routine and environment their children rely on. When finances become strained, parents cut discretionary spending first – and in more severe situations, will compromise their own long-term financial security before they'll allow any shortfall to have an impact on their children.

If money got tight, what would go first?



Education ranks just behind housing as the most safeguarded expense – only 10% of parents are willing to sacrifice education spend when facing financial pressure.

That protectiveness isn't only defensive. Even outside of a financial squeeze, 43% of parents say they would actively stretch their budget a lot – or make major sacrifices – just to get their child into the school they really want.



KZN, 25–35 years

“I want him to go to the best university, get really good grades, graduate cum laude... I want him to have bigger goals than I ever had, to want to live an even better and bigger life than the one I give him.”

School fees are only the beginning

The four layers of education cost

Parents know to expect and plan for more than just tuition. Stationery (72%), lunch (71%), uniform (66%), transport (54%) and school trips (48%) are the most recognised additional schooling costs, with textbooks (44%) particularly prevalent for tertiary households.



Not every household profile experiences these layers the same way. Lower-income households face a narrower but more frequent set of essential, "stretch" costs. More affluent households experience a broader range of costs, often driven by choice and lifestyle expectations rather than necessity.

As income rises, parents tend to offer more – and in turn encounter more diverse, more complex costs.



Key insight

The four layers of cost aren't interchangeable – they stack. By the time a family is covering lifestyle-linked costs, they're already carrying tuition, general schooling and extramural costs on top. That's a big part of why the annual total is so easy to underestimate.

The hidden cost of education is NOT what parents think

Most parents understand that education involves more than school fees. Yet our research found that nearly two thirds still underestimate its true cost.

The reason is that education expenses build over time. Uniform, stationery, transport, technology, school trips, sports equipment and extra lessons may seem manageable individually, but together they create a much larger financial commitment.

The research also found that many parents are caught off-guard by major cost increases at key milestones, particularly the transition from primary school to high school, and later into tertiary education.

Better education planning starts with understanding the full journey rather than focusing only on the next school year. When families have clearer visibility of future costs, they can make more informed financial decisions and prepare more effectively for what lies ahead.

Digital planning tools also make it easier for families to estimate future education costs, explore different scenarios and track their progress, giving them greater control over their education journey.

Knowledge alone cannot eliminate financial pressure, but it can replace uncertainty with preparedness.

Matthew Green

**Product Portfolio Manager,
FNB Life Insurance**



The cost awareness gap

Most parents get the number wrong

Costs play a key role in shaping education choices – but how accurately do parents anticipate the true cost of education? To find out, we compared parents' spontaneous initial estimate of their child's annual education cost against a detailed estimate, built from a structured exercise accounting for the full range of expenses: tuition, uniform, transport, meals and more. The difference between the two reveals how far off parents' expectations really are.

62%

of parents
UNDERESTIMATE
the true cost of
education for the
year ahead – their
actual spend
exceeds their
initial estimate.

30%

OVERESTIMATE
the true cost of
education for the
year ahead.

8%

estimate their
education costs
EXACTLY RIGHT.

The costs you don't see coming

Hidden costs add up

Hidden, unseen and unexpected costs extend far beyond school fees – and parents are not fully prepared for how extensive or frequent they are. They can be taken aback by the ongoing, cumulative value of these costs throughout the year – for fundraising, hiring of musical and sports equipment, and school tours, for instance.

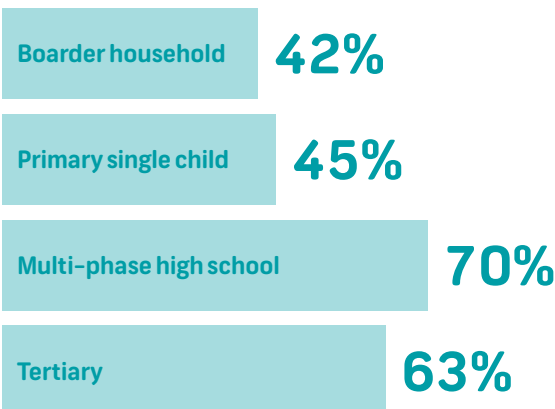
Costs linked to lifestyle are the most unexpected and can come as a shock. They're often tied to the need to fit in socially and keep up with the demands of the school environment – gifts for teachers, birthday parties, school photos and social activities with friends.

Unexpected costs are higher and arrive more frequently than you expect.



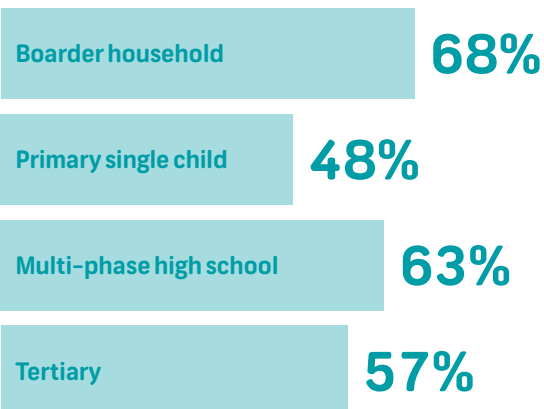
60%

of parents say total education costs are higher than expected – rising from 45% at primary phase single child to 70% at multi-phase high school.



59%

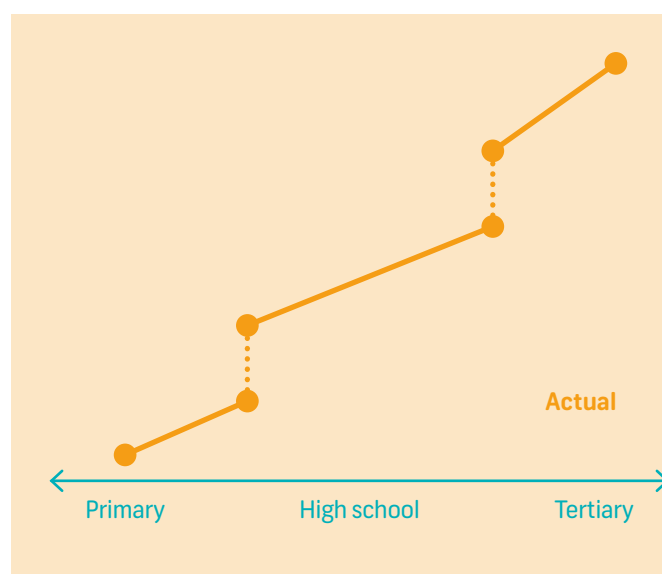
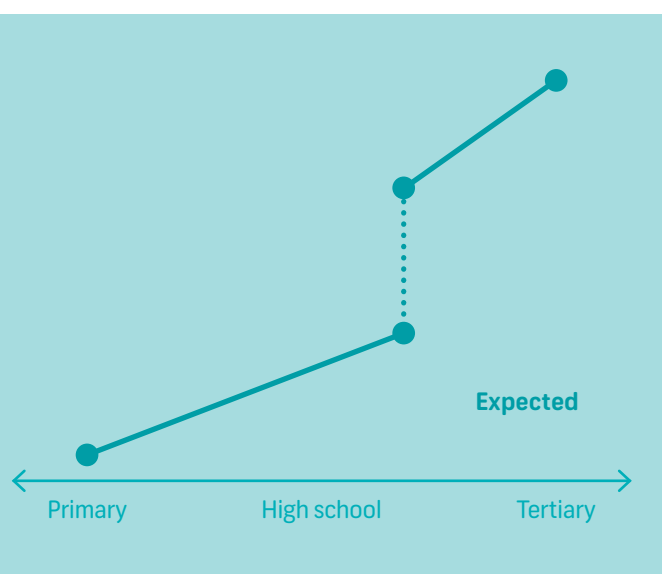
face education expenses they hadn't budgeted for, multiple times a year – as high as 68% among boarder households.



The biggest jump arrives sooner than parents think

Expectation vs. reality across the schooling journey

Parents expect costs to rise gradually and predictably, with the biggest increase happening only once their child reaches tertiary education. In reality, many discover a significant step-change much earlier – most commonly the jump from primary to high school, which parents with older children describe as the most surprising, and at times overwhelming, moment in the schooling journey.



This earlier-than-expected spike has a knock-on effect: by the time children reach the later high-school years, overall costs are already higher than parents had originally forecast. The move from high school to tertiary tends to feel less steep by comparison – though the starting and ending fee levels of both phases are higher than initially anticipated.

Notably, tertiary households estimate education costs more accurately (23% exact match) than other profiles, reflecting the experience gained from earlier phases.

“The fees were reasonable, but only in high school that the fees start being like, oh my word... I thought I’m going to pay the same amount forever... Then the biggest shock is when they go to high school because the fees almost, like, go up by like 50–60%.”

Western Cape, 25–54 years



Having a plan creates confidence, not always preparedness

Claimed vs. actual readiness

The primary driver for education planning is **emotional**: an underlying need to feel prepared, and to be seen as a “good parent”. But some external triggers matter too – rising fees or greater visibility of actual costs at secondary school level tend to prompt stronger planning behaviour.



87% of parents say they have some form of financial plan for funding their child's education costs.



24% meet the research definition of being genuinely prepared.



58% of parents say their plan extends to at least tertiary – meaning more than 40% aren't planning beyond school.



55% only start planning once their child is already in school.



70% of parents say, looking back, they would have planned differently



Western Cape, 25–35 years

“We do not feel prepared at all. Constantly doing research and still feel unsure and overwhelmed. Not sure how we are going to get our finances in order to get the kind of education we want for our son.”

Those who want to feel prepared

50% of parents with a plan are motivated by a desire to feel more prepared.

- More likely to pay fees from a dedicated education savings or investment product.
- Claim a plan for a broader range of contingencies, and greater reliance on a wider mix of savings and investment products.

Those who are prepared

While **87% of parents** claim they have a plan for their children's education, only **24% are truly prepared**, with education costs meeting or falling below their expectations and unexpected costs occurring no more than once a year.

- Less likely to be triggered by cost-visibility factors; rely on advice from advisors rather than friends.
- Show less reliance on bonuses – in the plan, in current payments and in contingency plans.



Key insight

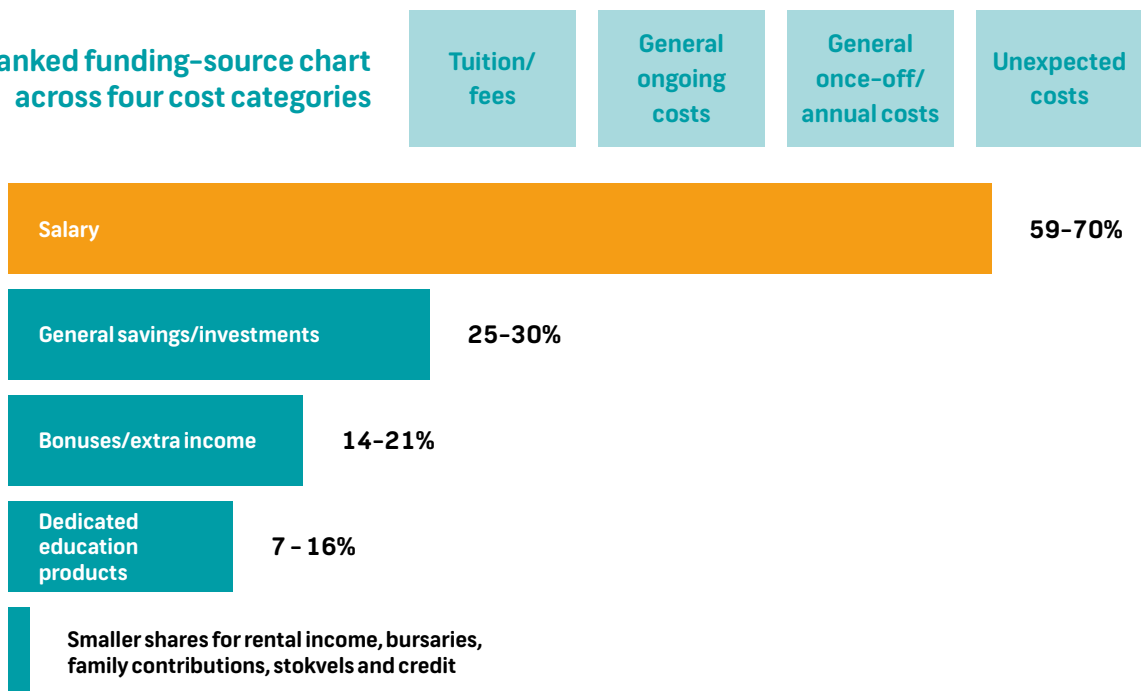
Even parents who plan more deliberately and rely on dedicated financial products show some vulnerability in their long-term planning. Being genuinely prepared is about more than having a plan on paper.

For most families, the “plan” is today’s income

Most parents rely heavily on salary

Between 59% and 70% of parents rely on salary to fund different categories of education expenses – from tuition through to unexpected costs. Savings and investments form the next most common layer, at around 25–30%, with roughly one in five parents relying on bonuses or extra income. That dependence on a variable, not-guaranteed income source introduces real risk into the plan.

Ranked funding-source chart
across four cost categories



Dedicated education savings or investment products are used by just under **one in three** parents.
On average, parents rely on 2.5 products to fund their child’s education.



Affluence does not eliminate education anxiety

Education planning is important for every family, regardless of income.

While higher-income households often have greater financial resources, they also face more complex decisions around premium schools, specialist programmes, boarding facilities and international education opportunities.

Our research found that successful education planning is driven less by income than by foresight. Families who begin planning earlier and approach education funding with clear, long-term strategies are often better prepared than those who simply have higher earnings.

For many affluent families, education is also part of a broader legacy conversation. It sits alongside retirement, estate planning and wealth preservation as a long-term investment in future generations.

Education remains one of the most meaningful ways families can create opportunities, unlock potential and leave a lasting legacy.

Sizwe Nxedlana

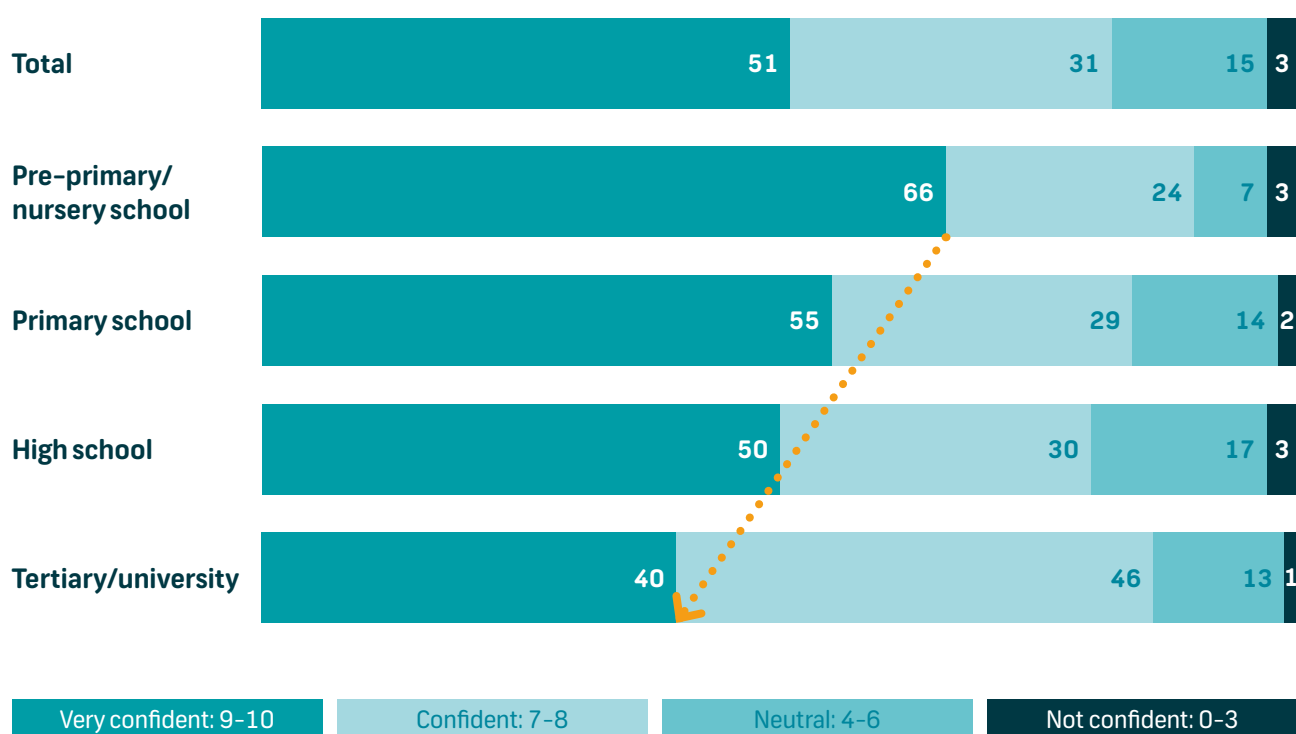
**CEO, Private Banking
and Wealth Management**



Confidence falls as the journey gets real

Confidence in the plan, by schooling phase

As parents progress through the schooling phases, confidence in their long-term planning notably declines. The realities of the education journey prove more complex than expected, which often undermines the clarity and structure of earlier plans. Parents also tend to underestimate the cost of tertiary education, meaning they can no longer rely on income alone to sustain it.



This shows the steady decline in high-confidence responses (66% > 40%) moving from nursery to tertiary.

Confidence to fund through to tertiary also varies notably by household profile:

Boarder households report the highest confidence (**69%**), while multi-phase high school households – carrying the compounding cost and complexity of multiple children in different phases at once – report the lowest (**45%**).

Primary phase, single-child households sit at **56%**, and tertiary households at **58%**.



Some practical tips for better planning

Three tools to plan with more confidence



TOOL 1: Know what to count

The true cost checklist – have you planned for all five?

- ☐ Fees and tuition
- ☐ Regular schooling costs
- ☐ Annual and once-off costs
- ☐ Development and extra-mural costs
- ☐ Unexpected and lifestyle costs



TOOL 2: Plan the journey, not just the next school year

Think at least two phases ahead – plan the whole journey:

birth/early years → pre-primary → primary → high school → tertiary.

At every transition: estimate, fund, protect, review.

Be aware that the biggest financial jump may arrive before university, not after.



TOOL 3: Stress test your plan

Ask yourself – would your education plan still work if:

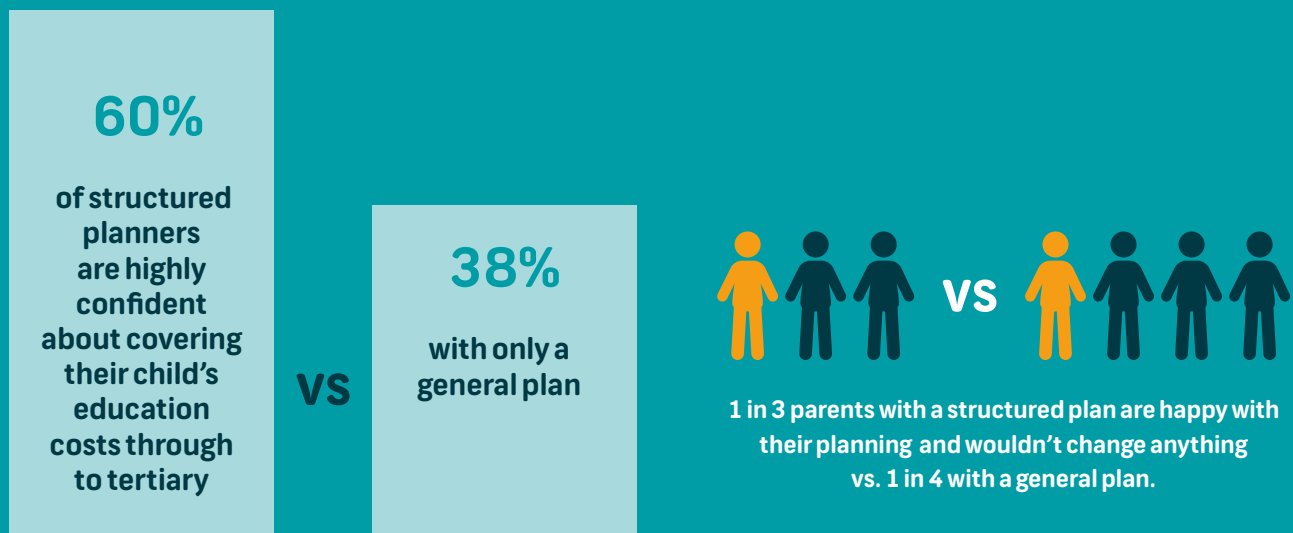
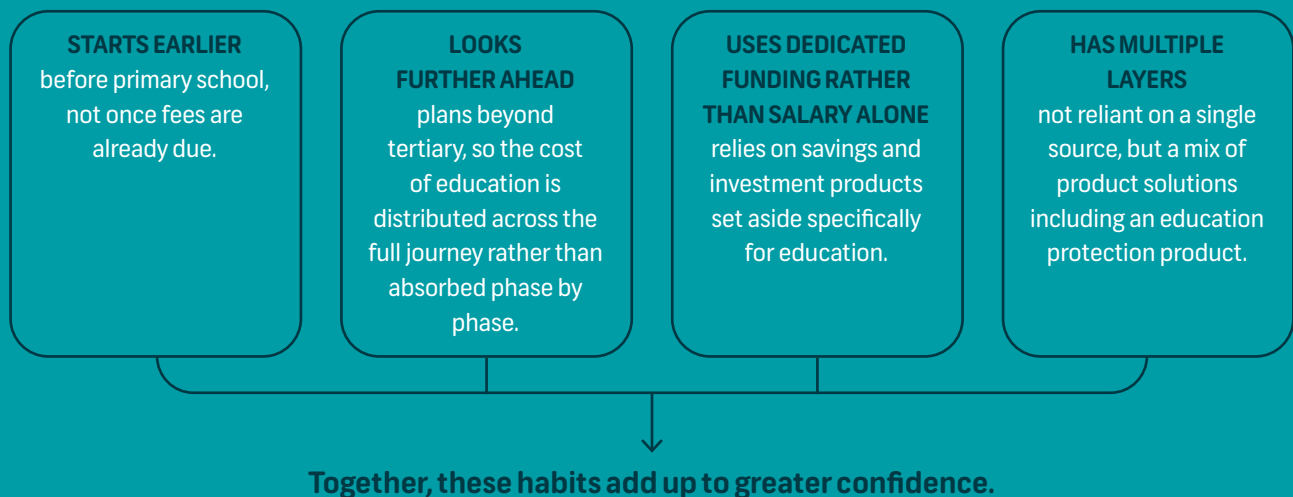
- Your household lost one income, or your main income fell?
- Fees rose faster than expected?
- Two children entered expensive phases at the same time?
- A major school expense landed unexpectedly?
- Your emergency savings were needed for something else?

Smarter planning

From paying school fees to planning an education journey

Planning is often reactive rather than strategic – focused on managing the next phase of schooling rather than preparing for the full education journey.

The research gives a clear picture of what stronger planning looks like:



"If tomorrow something unexpected happened to me, my child's education would be directly affected because I am the one covering tuition and unexpected costs. I have taken steps to support my child when I'm no longer around. I have a significant life cover for me in case I die."



KZN, 25–35 years



Himal Parbhoo

CEO, FNB Insurance

Education planning without protection is only half a plan

Planning for education is important but protecting that plan is equally critical.

While many parents believe they have contingency plans in place, our research shows these plans often rely on general household savings or resources that must compete with other priorities during times of financial stress.

Education costs continue regardless of changes in personal circumstances. School fees, university costs and other education expenses do not stop because a family's income has changed.

Income disruption remains one of the greatest risks to education continuity. Families who rely solely on monthly income to fund education may quickly find their plans under pressure if unexpected events occur.

This is why protection should be considered a core part of education planning rather than an optional extra. Financial resilience helps ensure that years of planning and sacrifice are not undone by life's uncertainties.

The goal is not only to help parents fund education, but to give them confidence that their children's future can remain on track even when life does not go according to plan.

Build resilience around the journey

**Don't just ask how you'll save.
Also ask how you'll keep the plan on track.**

Many families believe they have a contingency plan in place, but these are often general household safety nets – like life cover or general savings – rather than education-specific funds. That means the money can easily be redirected to other short-term or urgent needs, leaving education planning underfunded.



Confidence builds when parents feel they have multiple safety nets in place at once: savings, protection, flexibility and a contingency plan working together – not just one product doing all the work.

Parents also describe non-financial contributors to confidence: a steady, reliable job; being free of debt; a retirement plan that frees up mental capacity to focus on their children rather than their own future; and trust that a partner also has adequate plans and products in place.

“I have policies such as life cover, retirement but I know one can never say they are fully prepared. I also hope in the event of my death, the pension fund will also benefit my dependents in terms of their schooling needs.”

Western Cape, 36–54 years



From saving for education to investing in possibility

Many parents think about education planning as saving for future costs. Our research suggests they should think about it as investing in future opportunities.

Planning often starts only after children begin school, despite education being a commitment that can span nearly two decades. This leaves many families reacting to rising costs instead of preparing for them.

Starting earlier gives families more time to absorb future expenses, manage uncertainty and expand the choices available to their children.

Long-term investing changes the conversation from simply asking what is affordable today to considering what could be possible tomorrow.

Financial advice can help families develop investment strategies that reflect their education goals, time horizons and broader financial priorities, giving them greater confidence that they are on track.

Bheki Mkhize

**CEO, Wealth and
Asset Management**



Lessons learned

What the data teaches us

This first wave of research points clearly to four lessons – drawn directly from the lived experience of South African parents who are planning for, paying for, and reflecting back on their children’s education.

LESSON 1: Understand the whole journey, not just this year’s fees

Education cost isn’t one number – it’s tuition, general schooling costs, extra-murals and lifestyle costs, compounding across nearly two decades. Parents who map the full journey, from early years through to tertiary, are far less likely to be caught off-guard by the fee jump at high school or the true cost of university.

LESSON 2: Plan earlier, before the pressure sets in

More than half of parents only start planning once their child is already in school, and most plan only one or two phases ahead. Starting before primary school, and planning through to tertiary from the outset, gives families more time to absorb costs and more room to adjust.

LESSON 3: Fund education deliberately, not just from salary

Up to 70% of education costs are paid from salary alone – a variable, at-risk income source. Structured planners who use dedicated education savings and investment products, on top of salary, report significantly higher confidence in covering costs through to tertiary (60% vs. 38%).

LESSON 4: Protect the plan, not just the saving

A savings plan without protection is only half a plan. Families who pair savings with protection, flexibility and a genuine contingency – not just a general emergency fund – are better placed to keep their child’s education on track even when life doesn’t go as planned.

Bheki Mkhize

CEO, Wealth and Asset Management

“Ultimately, education planning is about more than paying school fees. It is about creating flexibility, building resilience and helping families provide the opportunities they value most for the next generation.”





[Speak to your adviser](#)

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