February 2026

The True Cost of Education 2026.

Exploring the realities of education funding: insights from parents, students and specialists, government data, policy and support, and what it all means for families in 2026 and beyond.

0–4	5–18	18–21
Early Years	School & College	University

Contents

Introduction

Executive summary

1. The Full Education Journey (0–21) 6

1.1 The big picture: what to expect 7
1.2 Early Years (0–4): nursery and childcare 8
1.2 Primary & secondary (5–18): state, private, hybrid and home education 10
1.3 University (18–21): tuition and living costs 13

2. Why does it feel harder now than it used to? 16

2.1 It's not you: education is getting harder to afford 17
2.2 Expanded childcare funding, with real limits 21
2.3 VAT on private school fees, a new reality 22
2.4 Private school bursaries: vital and under pressure 24
2.5 SEND: when timing, support and cost collide 25
2.6 Intergenerational support: a necessary conversation 28
2.7 The £100,000 income cliff edge 29

3. How families can make it work in practice 31

3.1 Lived experience: families take many paths 32
3.2 Plan the full journey, then make decisions in stages 32
3.3 Use hybrid approaches to balance cost and continuity 33
3.4 Plan for pressure points, not just averages 33
3.5 Treat support as helpful, not guaranteed 34
3.6 Think short-term and long-term 34
3.7 Have early conversations about support 35
3.8 Build reassessment into your plan 35
3.9 Remind yourself of the purpose of education 36

4. Final thoughts: practical tips on what parents can do now 37

Things to think about now 38

About Sencillo 39

How we hope to help! 39
Contributors & collaborators 40
References & data sources 41



Adam Amos
Father of two
Founder & CEO, Sencillo

Executive summary

The education journey is an emotional topic for all involved – for our kids, for us as parents and guardians, and for some, the wider family network. For many, funding the education journey end to end, is second only to buying a home, in terms of scale, importance and impact. This brings into view how critical it is to understand such a diverse pathway and plan accordingly.

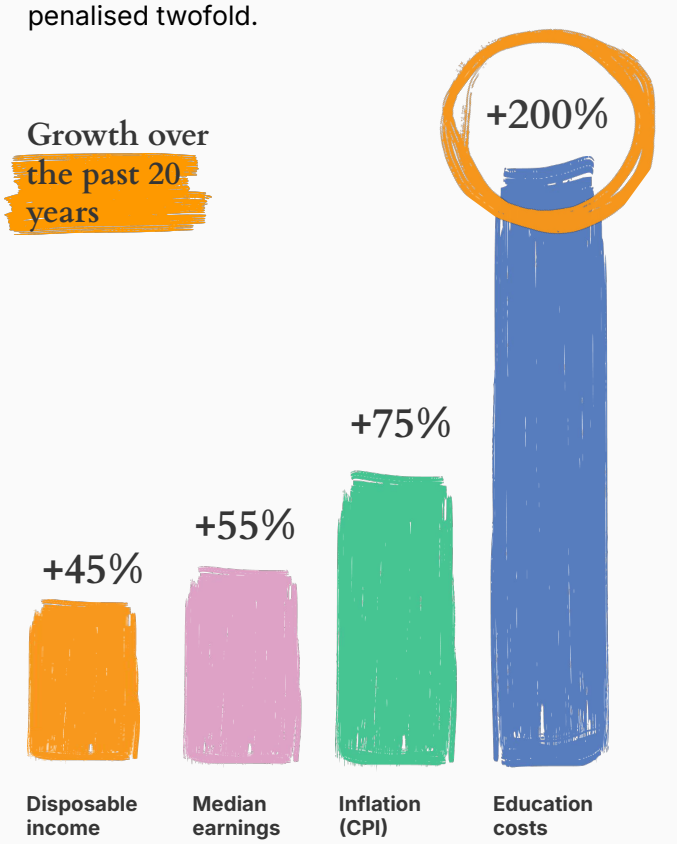
Across nursery, school and university stages of education, costs have risen faster than wages and general inflation for the past 20 years, according to Office for National Statistics (ONS). For many, this has created real uncertainty about the costs of the full education journey, affordability and how decisions made today will affect the years ahead.

Nursery is often the first financial shock. Even after funded hours, **families typically pay between £7,000 and £14,000 a year,** depending on location and childcare needs. These costs have risen around twice as fast as earnings.

Private school fees have also increased sharply. In real terms, fees are more than 20% higher than a decade ago, and far above inflation compared with the 1990s. **From 2025, the introduction of 20% VAT has added a further £3,500 to £6,500 per child per year for many families.** While bursaries play an important role, full fee coverage is rare. Schools distribute around £1.1 billion in bursaries and scholarships to roughly 156,000 pupils each year, but only around 1.3% receive awards that cover most or all fees. Most families still fund a substantial shortfall.

When it comes to university, costs are now higher than many parents expect. In England and Wales, annual undergraduate tuition fees increased to £9,535 in August 2025 (from £9,250), while living costs typically sit at around £12,000 to £15,000+ per year. Maintenance loans often cover only part of this, leaving families to bridge the gap through savings or ongoing support.

Moreover, student loans seem to be having something of a reckoning in 2026, with outrage stoked by the Chancellor's decision to freeze repayment thresholds, thereby dragging more graduates into what is arguably an additional 9% tax – this is in addition to the fiscal drag on income, with many arguing that ambitious graduates are penalised twofold.



Indexed data, 2004–2026. Source: ONS, Independent Schools Council; ONS (CPI, earnings).

Momentum is building, and the conversation is not going away. In a recent article for the *Financial Times*, columnist Claer Barrett asked: will University student loans be the next mis-selling scandal?.
Claer highlights; *"After the £50,000 pinch point, there's another marginal tax rate squeeze for parents at £60,000 (child benefit starts to taper away) and £100,000 where the personal allowance and free childcare funding is lost. Yes, these sky-high marginal rates impact all higher earners, hence the rising popularity of salary sacrifice, but those repaying an extra 9% on top — or 15 % if they have taken out a postgraduate loan — simply feel crushed."*

What is clear is that there are a number of factors contributing to the challenges faced by parents, and in the case of the University fees topic, young parents, who are squeezed by both government policy and the rise in education costs in general.

Education isn't just a cost. It shapes the choices a child gets to make.

Tax pressures have intensified due to frozen thresholds and the £100,000 income cliff, significantly reducing families' disposable income, especially during peak education years.

This, combined with rising costs for those ineligible for support, creates a widening affordability gap. Consequently, the education journey increasingly relies on intergenerational support, with grandparents often prioritising childcare and education contributions over other gifting, when tax rules allow. When available to families, early awareness and open conversations can help families plan confidently and reduce pressure during high-cost years. The inability to plan for or sustain these educational costs has far-reaching consequences beyond just finances.

Children's options narrow, schools face instability and long-term opportunity is affected. Yet the system often leaves parents trying to piece together complex decisions without clear, joined-up guidance.

It's never too late to start planning. Even if your children are already in secondary school, a few years of clearer visibility, small adjustments and steady saving can make a meaningful difference to what university costs feel like later on.

At Sencillo our mission is simple:

Help families understand their options earlier, plan with confidence, and make decisions that feel sustainable for their future. We do that through smart planning tools, practical guidance, and, where appropriate, access to responsible financial solutions to help families bridge funding gaps, save for and protect the future.

At Sencillo, we believe families deserve to feel informed and supported when making education decisions.

This white paper was created to offer families clarity, composure and confidence when planning their child's education. It walks them through the full path from ages 0 to 21; sets out the real costs families face; explains the changes reshaping affordability; and offers practical insight to support better planning.

“Education is one of the biggest investments any parent will make. Yet for millions of families, the process feels fragmented, confusing and stressful. Rising early years childcare costs, VAT on school fees and gaps in SEND support have made the journey harder to navigate.

Our purpose is to help every parent make informed, confident decisions about the funding of their child’s education.

With clear planning and responsible financial support, this should be possible for many more families than it is today.”



Adam Amos,
CEO & founder of Sencillo, and father of two

Thank you to my children, Lily & Felix, you are my world, and you inspire me every day.

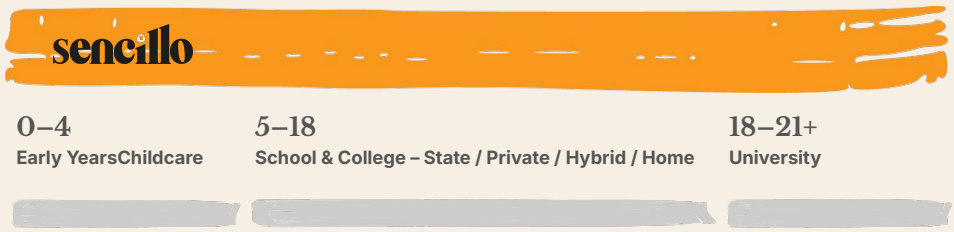


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The full education journey, from 0 to 21

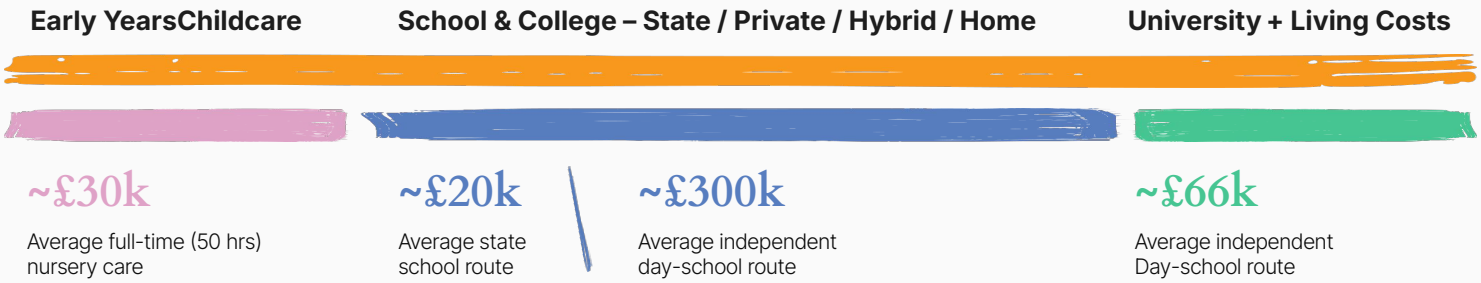
Every family's education journey is different.

Financially, it helps to think about it as one long connected path, to be planned for holistically, rather than a series of disconnected decisions.



The big picture: what to expect

Schools change. Children's needs change. What doesn't change is the fact that costs stack up over time. Early decisions often affect future possibilities. Looking at the full 20-year journey can help families plan ahead, weigh options realistically and avoid sudden pressures that can disrupt continuity for children.



Estimated total journey costs for State and Private school routes

Route:	State.	Private (Day).	Private (Boarding).
Early Years (0–4)	~£30k–£40k	-	-
School (5–18)	~£17k–£20k	£195k–£247k	~£11,736/year
University (18–21)	~£63k–£84k	-	-
Approx. Total.	**£112k–£144k**	**£290k–£371k**	**£500k+**

These represent fee costs. These to not include annual extras such as uniforms, trips or inflation over time. Education cost figures are based on a combination of national surveys, annual census data, and published policy analysis. Key anchor points are sourced from primary public data. Actual costs vary — research independently.

Early Years (0–4): nursery and childcare

For many families, nursery costs are the first real financial shocks and biggest household expenses for families with young children, but 2025 marks a significant improvement in England thanks to the funded hours expansion. **Families ineligible for the new entitlements because they're not working or don't earn enough, pay around £105/week more than eligible families** for a part-time place for a child under two, raising concerns about access for disadvantaged children.

Even with funded hours, families still face substantial out-of-pocket costs. In the UK's **priciest areas, full-time nursery care for an under-two can exceed £16,600 a year** in London.

Across the UK, families typically pay between £7,000 and £14,000 a year after funding, depending on location, provider and hours needed.

For children under two, the average cost of full-time nursery care (50 hours a week) in England is around £12,425 per year.

From 2025, the government extended 30 funded childcare hours to children from nine months old. Eligibility is linked to each parent's income. If either parent has adjusted net income over £100,000, the household is not eligible.

This is a meaningful policy shift, but it doesn't remove childcare costs entirely – and it isn't always straightforward to access. We break down the main limitations later, in section 2.2.

Full-Time Costs (50 hours/week)

Child's Age	Weekly Cost (2024)	Weekly Cost (2025)	Est. Annual Cost (2025)
Under 2 years	~£305	~£239	~£12,425/year
2 years old	£291	~£226	~£11,736/year
3–4 years old	~£115	~£127	~£6,601/year

Source: Coram Family and Childcare, 24th Annual Childcare Survey (March 2025). Full-time costs for under-2s fell 22% year-on-year. The 3–4 year old figure of £126.94 is the precise Coram 2025 mean; this age group saw a ~5% increase as the funded hours entitlement for this age group was unchanged.

Part-Time Costs (25 hours/week, after funded hours applied)

Child's Age	Weekly Cost (2024)	Weekly Cost (2025)	Est. Annual Cost (2025)
Under 2 years	~£159	~£70.50	£3,667/year
2 years old	~£153	~£66	£3,450/year

Source: Coram Family and Childcare, 24th Annual Childcare Survey (March 2025). Part-time costs for under-2s fell 56% in England. The 2-year-old figure is derived from Coram regional and age-band data. These figures apply to eligible working parents only; ineligible families pay approximately £105/week more for a part-time under-2 place. Funded hours are typically up to 38 weeks per year, and many families still pay for additional hours, meals, nappies and holiday cover. (via .gov.uk)



Why the early years matter for planning

Childcare costs tend to collide with some of the most financially intense years of family life: mortgages, career progression, parental leave, reduced household income and the arrival of siblings.

This is often the point of highest pressure. Understanding how long this stage is likely to last, and how it overlaps with other commitments, makes it easier to plan realistically. Early awareness helps families manage monthly cash flow and, where possible, start preparing for later stages of the education journey. Getting this groundwork in place can ease pressure further down the line.

"Even as someone who isn't currently looking at private education for my three children, the cost of education is always on my mind. Nursery fees have been a constant barrier to building financial wellbeing in our family and, when we were younger and earning less, they landed us in a huge heap of poorly planned, expensive personal debt. I'm talking credit cards, overdrafts, personal loans - whatever it took to keep us afloat while our children learned and were cared for.

The hangover from that, along with the not-insignificant cost of wraparound care, uniform, trips and extra-curricular activities, means we are worried about our ability to save for higher education, if that's the path our children choose. We've found nothing out there that helps families plan for these costs, which is why I'm delighted to be working with Sencillo. Families deserve peace of mind when navigating their children's education and building the foundations of their lives, no matter which path they choose."



Clare Seal. Mum of three, Financial coach, author and co-host of the 'Show Me The Money' podcast

Photo by Dmitry Rodionov

Primary & secondary (5–18): state, private, hybrid and home education

State schooling: affordable, but not cost-free

State education is free at the point of access, but it is not without cost. Over time, uniforms, clubs, technology, trips, transport, revision support and tutoring all add up. In addition, schools often ask for voluntary contributions, in order to improve and maintain facilities and activities, a cost that often goes unaccounted for.

Across a full state school journey, these extras commonly total £10,000 to £25,000 per child.

In addition, the cost of wraparound childcare, which includes breakfast clubs, after-school clubs and the 13 weeks of school holiday cover required annually, all adds up. This primary-age period – roughly ages four to 11 – really puts pressure on families, both financially and logistically.

State-backed boarding schools: a balance of strengths, but limited availability

Some families explore alternatives that sit between traditional state and private education offerings.

State boarding schools are state-funded for education, with parents paying boarding and accommodation costs. Places are accessed through standard local authority processes, with the boarding element providing additional structure, facilities and support.

There are around 30 to 40 state boarding schools across the UK, primarily in England, with a small number of other options available, such as island boarding, specialised, often state-funded, residential provision for students living on remote or small islands that lack their own secondary education facilities.

A state boarding school:

- provides free, state-funded education
- charges for boarding and accommodation
- may offer full, weekly or flexi-boarding

For some families, this route offers access to a different school environment, without the financial pressure of full private fees.

Private schooling: rising fees, reduced flexibility

Private education comes with ongoing costs, however, families don't always have visibility over specific pinch points or the instability these can cause. Such moments often occur when entering secondary school. At this stage, families often feel most exposed to long-term affordability risk.

With VAT now applied, families face increased annual costs, on top of annual increases and inflation.

- **Averages across the UK now reach £18,000+ per year**
- **Premium schools in major cities exceed £30,000 to £40,000+ per year.**

> "At no point did we even think that a luxury tax of 20% could be added to education. It has blindsided us."
> Sarah Lambert, parent (FT, 2024)

The challenge of the early secondary years is less about the current headline cost and more about the long-term commitment. Once children are settled, families are reluctant to disrupt their education, even if factors like fee increases, inflation, VAT, or reduced bursary flexibility make the initial cost unsustainable over time. The risk is less about whether fees are affordable today, and more about whether they will remain sustainable over the full education journey.

Hybrid pathways: strong optionality, targeted investment, lower long-term commitment

Hybrid schooling is increasingly common and takes many forms, including:

- state primary with private secondary
- private early years or sixth form only
- private education at specific transition points
- siblings taking different routes
- state boarding followed by state or private college

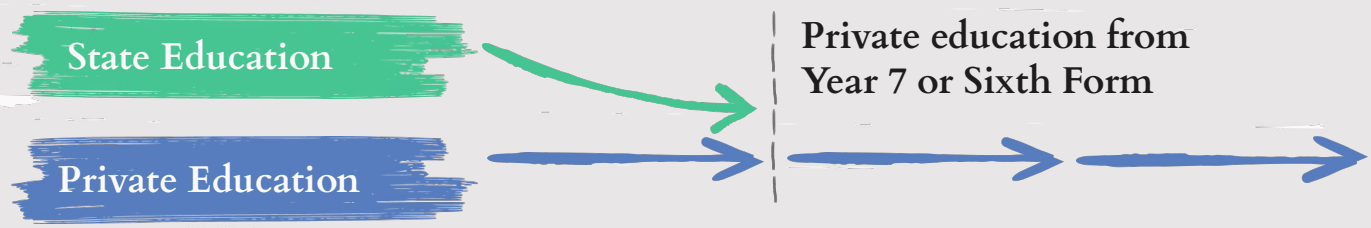
Some families also use grammar schools as a solution, investing early through private primary education and/or targeted tutoring, with the aim of securing a state grammar place at secondary level via the 11+. This front-loaded approach can reduce long-term costs, while still aiming for strong academic outcomes.

> "We are seeing more families mixing state and private education, particularly at transition points, such as sixth form. It's not new, but it is happening more often."



Melanie Sanderson – Managing Editor, The Good Schools Guide

"State-Till-Late" – Staying in state school for primary years, then switching to private school for secondary or Sixth Form – a focused, cost-managed approach to private education.



What this means for families

Deeper thought and planning is now a must. Planning now requires earlier awareness and more clarity on costs against the longest portion of the journey, where stability and consistency is key for children.

Parents need greater flexibility and to create deeper alignment to their 'family wealth' in terms of earnings, savings and inheritance, as well as cash flow to help them feel secure and confident about the journey ahead.

"School-age childcare is the blind spot in most family financial planning, and it's where we see the greatest stress and scrambling for solutions. This middle period deserves attention. It's not 'early years', so it doesn't get government support, but children are not yet at the age where they can be independent. Families need to budget for a decade-plus of wraparound care, not simply the pre-school years. Parents who plan for this reality from the start are the ones who can weather rising education costs later."



Rachel Carrell – Mum of three, CEO and Founder – Koru Kids



Photo by Aaron Torres

University (18–21): tuition is predictable, living costs are not

University is often assumed to be straightforward because tuition fees are capped. In reality, tuition is only part of the cost and, increasingly, not the part that causes the most immediate strain. Often, the financial penalty for fees arrives later, when graduates spend years making repayments directly from their salaries, with interest rates dictating how long it takes.

In England and Wales, annual undergraduate tuition fees increased to £9,535 in August 2025 (from £9,250). In addition, students now face living costs that can easily sit in the £9,000 to £15,000+ range, once you account for accommodation, food, transport and day-to-day spending.

> "We were never properly educated about the structure or long-term impact of the student loan system during the application process.
>
> With better financial literacy, many of us would have made more informed decisions."



Dr Mark Cox – A&E doctor and co-founder ar Orli – Mental health support for the next generation.

Once tuition and living costs are combined, total annual costs can reach between £21,000 and £26,000 per student, depending on location and rent.
Over a three-year degree, this equates to £60,000 to £75,000, and can be higher for longer courses or high-cost locations.

Maintenance loans help, but they rarely cover the full cost of living and, of course, must be paid back. For context, the maximum maintenance loan for an English student living away from parents outside London rose to £10,544 in 2025 (House of Commons).

Many families therefore contribute through regular support, helping with rent and topping up shortfalls during term time.

"I studied medicine for five years and left university with around £63,000 of debt. After eight years working as a doctor, earning a solid salary and consistently repaying, my balance has grown to roughly £73,000.

It was positioned as the normal route, almost inevitable, and I didn't appreciate how interest or long-term repayments would actually play out.

The way it's structured and communicated doesn't match the reality many graduates experience, especially with interest rates climbing to around 8%.

It feels more like an additional tax than a loan."



Dr Mark Cox
A&E doctor & co-founder ar Orli - Mental health support for the next generation.

"We were very much sold the idea the student loan 'graduate tax' model was the more sensible, cost-effective option, and we accepted that framing by default."



Macy-Jane Hewitt
3rd year University Student, Exeter, UK

Returning from abroad and fee status

For some families, returning to the UK to study can carry unexpected costs. Students who have lived abroad for extended periods may be classed as international students rather than home students, making them liable for much higher tuition fees and limiting access to UK student finance, unless strict residency criteria are met. International fees commonly run into the tens of thousands of pounds per year, depending on the course and institution, which adds another layer of complexity and cost for families planning higher education.

What this means for families

University is no longer a cost that starts at 18 with a clear price tag. For many families, it is the final – and often largest – financial phase of the education journey. Thinking about it earlier, and as part of the full 0-21 picture, helps avoid last-minute pressure and difficult decisions.

> "For many years, families and students were told not to worry too much about student debt. Unfortunately, that's left a lot of young adults starting working life only to find their repayments barely cover the interest accruing on their loans. It's a shame, because many families could have taken simple, positive action earlier, if they'd had clearer information."



Cem Eyi, Father and co-founder of KidStart and The Beanstalk Savings App

Photo by Sam Balye



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Why does it feel harder now than it used to?

Many parents describe the same feeling. Education choices that once felt demanding but manageable now feel fragile, uncertain and harder to sustain. This is not because families are miscalculating or overreaching. It's because the system around them has changed.

For many families, this pressure is intensified by housing costs. In large parts of the UK, parents are now juggling high mortgages or rents alongside education costs, rather than benefiting from housing wealth accumulated earlier in life. The result is a genuine squeeze on disposable income that previous generations did not face.

Several shifts happening simultaneously are reshaping what feels affordable, predictable and safe, often faster than families can adapt.

It's not you. Education is getting harder to afford

Over the past 20 years, the cost of education in the UK has risen by more than **200%** – faster than both inflation and household incomes.

While families today may earn more in absolute terms, education now takes a larger share of household resources. This helps explain why education planning feels harder today, even for families who appear financially secure.

~200%

Increase in education costs.

> "I hear the same thing again and again: 'I should feel more secure than this, but I don't.' A 'good' income doesn't stretch the way it used to."



Philly Ponniah, Philly Financial – Chartered Wealth Manager

Figures represent indicative long-term growth from 2004 to 2024 based on published national datasets. University increase reflects tuition fee reforms and rising living costs combined. Education costs are shown as a composite to reflect childcare, schooling and university costs across the full education journey.

What the data is showing us.

Since 2004, median earnings in the UK have risen but over the same period education costs have grown materially faster than wages, widening the affordability gap for families.

Childcare (Full-time nursery equivalent)
Childcare costs are now around 100% higher in real terms than in the early 2000s.

- 2004: ~£6,500 p/a
- 2024: ~£15,000 p/a
- Increase: ~£8,500

Independent School Fees (Average Day Fees)
Average day school fees have risen from around £7,000 to £8,000 per year to average £18,000 to £20,000 today (pre-VAT).

- 2004: ~£8,500 p/a
- 2024: ~£20,000+ p/a
- Increase: ~£16,500

University (Total Annual Cost: Tuition + Living)
The total cost of university (inc living costs) is now commonly £20,000 to £25,000 per year, with real term costs more than doubling since 2004.

- 2004: ~£8,000
- 2024: ~£25,000
- Increase: ~£17,000

Increase in education costs

↑ ~200%

Reflects the combined, real change across education journey (childcare + private schooling + university total cost)

Early years

↑ 90–100%

Independent schooling

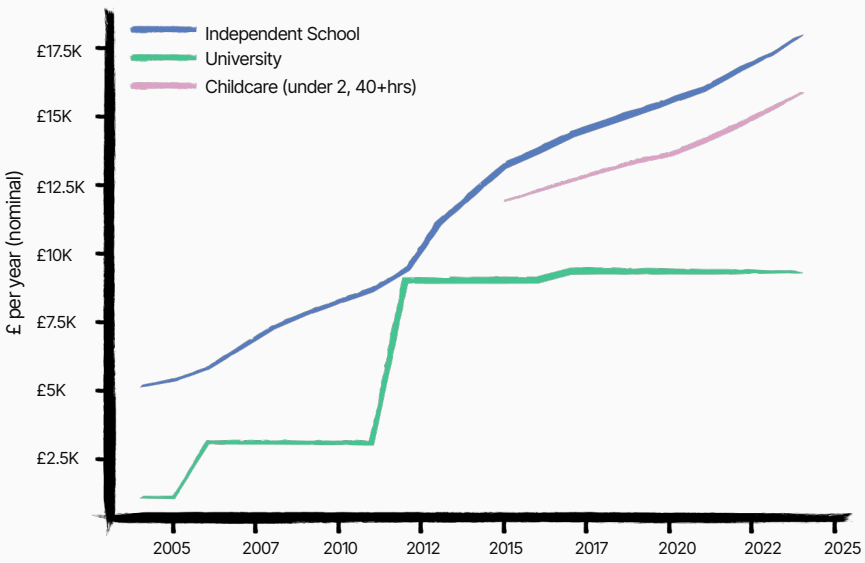
↑ 120–140%

University

↑ 200%+

UK Education Costs growth by Stage (2004–2024)

Note: Childcare index only extends from 2015.



The chart illustrates how major components of education spending have grown over the past 20 years. University costs show a clear structural step increase in 2012 tuition fee cap change, while private school fees and childcare costs have risen steadily. Even after accounting for policy caps and changes, all three components now sit higher in nominal terms relative to the mid-2000s, signalling growing financial pressure on families across different stages of the education journey.

Education stage cost series are modelled using official price indices and policy cap information. Childcare data is scaled from ONS CPI Childcare services index (post-2015) and anchored to a published weekly cost from the Coram Childcare Survey 2025. Private school costs are modelled from ONS CPI Education anchored to the ISC Census 2024 average fee. University totals reflect headline tuition fee caps in England over time. Institute for Fiscal Studies (higher education funding analysis); GOV.UK (tuition fee policy history).

What the data is showing us.

Since 2004, education prices have risen over three times faster than inflation and significantly faster than earnings and disposable income.

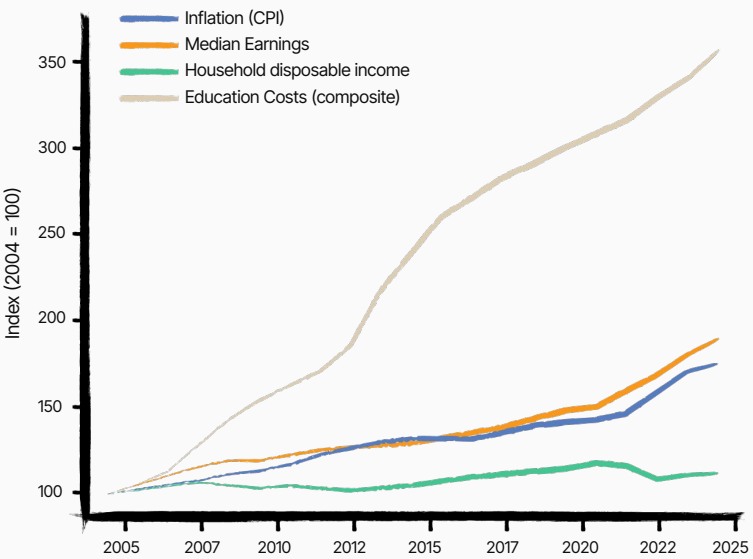
Inflation: general prices have risen by around **75%-80%** over the past 20 years.

Household earning and income: while median full-time earnings have increased by around **55-60%**, from approximately £20,000 in the late 1990s to £35,000-£36,000 today, real household disposable income has grown more slowly – by roughly **45-50%** over the same period. This reflects higher housing costs, reduced state support and higher taxes.

> "Parents are juggling rising prices in every part of life. Education, which used to feel like a long-term goal, is now colliding with short-term affordability worries."

Financial Times Family Finance, 2024

Education Prices vs Earnings, Inflation and Disposable Income (2004–2024)



Increase in education costs

↑ ~200%

Inflation

↑ +75–80%

Median Earnings

↑ +55–60%

Disposable Income

↑ +45–50%

Indexed to 2004 = 100, the chart shows that education prices have risen significantly faster than both inflation and earnings over the past two decades. While wages have grown and inflation has increased steadily, the education price index has accelerated more sharply, particularly following structural changes in the early 2010s. Disposable income has experienced periods of stagnation and decline, widening the gap between education costs and household financial capacity.

Methodology: Indexed analysis based on Office for National Statistics CPI All Items (series D7BT), CPI Education (D7C5), CPI Childcare services (L7J2), Average Weekly Earnings (KAB9) and Real Household Disposable Income (RHDI) series, rebased to 2004 = 100 for comparative analysis. School fee levels are anchored to ISC Census 2024; childcare levels anchored to Coram Childcare Survey 2025; university tuition reflects published fee caps (House of Commons Library CBP-10155).

Sources: Office for National Statistics (ASHE earnings data); Coram Childcare Survey (annual nursery costs); Independent Schools Council Annual Census (school fees); Institute for Fiscal Studies (higher education funding analysis); GOV.UK (tuition fee policy history).

What this means for families

Because education costs have grown faster than inflation, earnings and household disposable income, the result is not just higher prices, but greater pressure arriving earlier in life. Families are not falling behind; the economics of education have changed. Planning now requires earlier awareness, more realistic assumptions and greater flexibility, to help families feel secure and confident over time.

> "What we've seen over a long period is that school fees are massively outstripping income growth. Families who would once have comfortably afforded private education are now being priced out."



Melanie Sanderson – Managing Editor, The Good Schools Guide



Photo by Selian Salimova

Expanded childcare funding, with real limits

The extension of 30 funded childcare hours to children from nine months old has been widely welcomed. For eligible families using full-time nursery care, it can reduce annual costs by £4,000 to £7,000 per child, depending on region and provider.

In real terms, a family facing nursery fees of around £14,000 per year may see costs fall to roughly £7,500 to £9,000 once funded hours are applied. That's a saving of £400 to £550 per month, which can make a meaningful difference during a financially intense stage of life (Coram, 2024). The policy also brings support forward into the earliest years, helping parents return to work sooner if they choose (GOV.UK, 2024). But there are limits.

Common challenges include:

- **Eligibility is assessed per parent, not per household.** A single parent earning over £100,000 loses entitlement entirely (GOV.UK, 2024).
- **Availability is uneven,** with staffing shortages and funding gaps limiting access to funded hours (BBC News, 2025).
- Parents still pay for meals, consumables, extended hours and holiday cover (DfE, 2024).

Salary sacrifice and childcare costs

Families often use salary sacrifice (e.g., pension contributions) to manage adjusted net income and access childcare support. While helpful for some, its availability depends on employment, pension type and childcare used.

Even with salary sacrifice and funded hours, significant monthly costs remain.

For example, a **£14,000** annual nursery bill might drop to **£7,500–£9,000 after support**, still costing £600–£750 a month (Nuuri, 2025).

In essence, salary sacrifice eases the burden but doesn't eliminate it. Families should plan for childcare to remain a substantial monthly expense, even with support.

What this means for families

Funded childcare can ease pressure, but it rarely removes it entirely, with early years remaining one of the most financially compressed phases of the education journey. Families should expect childcare to cost a meaningful amount, keeping in mind that access to funded hours may change.

VAT on private school fees, a new reality

From January 2025, most private school fees became subject to 20% VAT. While schools have responded in different ways, for most families this has resulted in a permanent increase in annual costs, with many schools passing the full amount on to parents (HM Treasury, 2025, (*FT*, 2025).

> "VAT isn't the sole cause of pressure in the independent sector, but for many families it has been the straw that broke the camel's back."
>
> **The Good Schools Guide**

In practice, this has meant:

- £18,000 fees increasing to around £21,600
- £22,000 fees increasing to around £26,400
- £30,000 fees increasing to £36,000+

For families with more than one child, the impact of VAT compounds quickly, significantly multiplying the financial strain.

Crucially, VAT is not a one-off hit; it permanently raises the baseline cost of private education across the full duration of a child's schooling, from nursery right through to sixth form. When this is applied to multiple children, the total financial burden dramatically escalates, making it an existential issue for many households relying on private schooling.

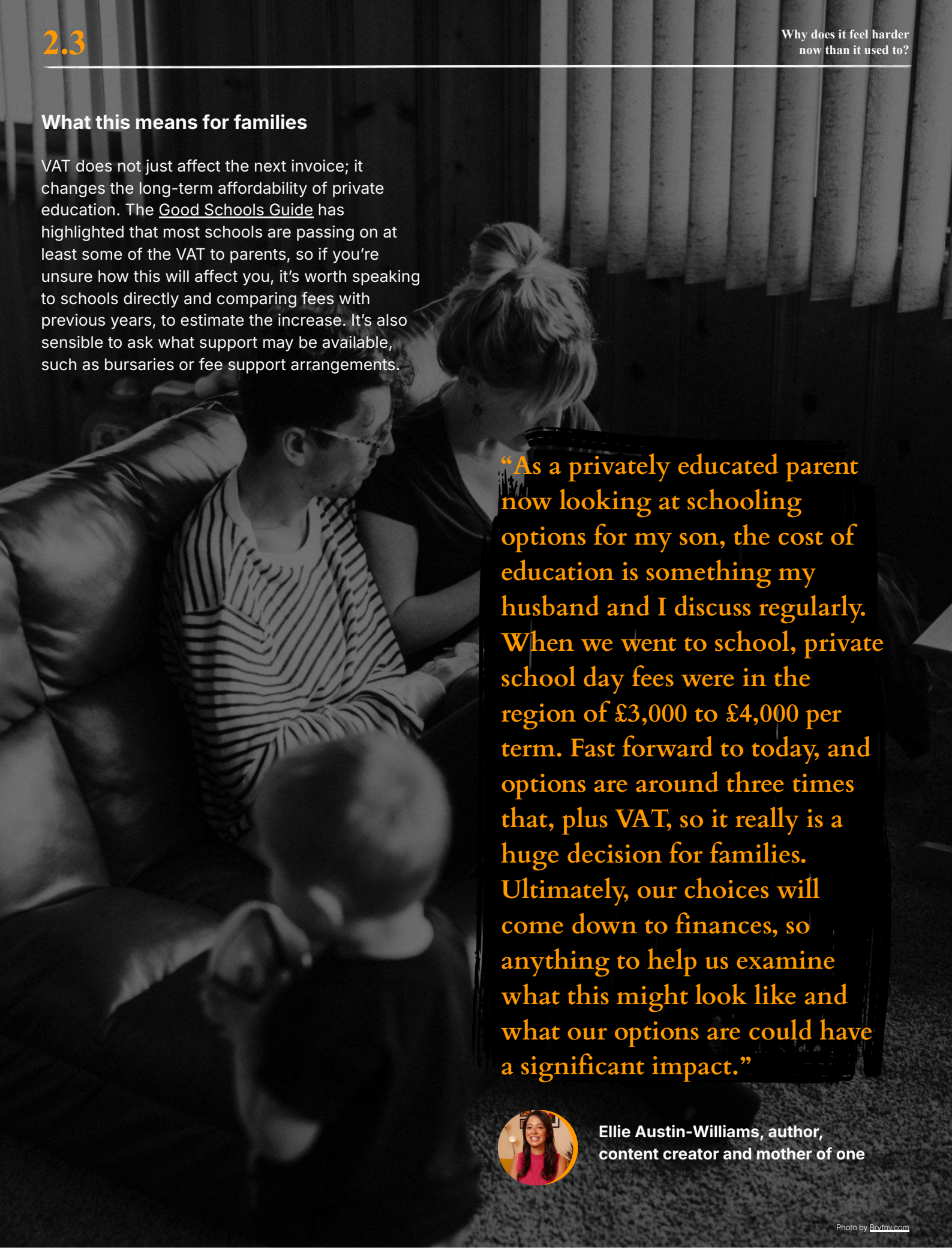
> The maths has genuinely changed – a few years ago, families borrowed and planned on the back of historically low interest rates, and now those rates are significantly higher. Where a mortgage was affordable, at new rates a lot of families are struggling. Pretty much everything costs more, from groceries to energy to extracurriculars, and if you're a private school family, you've now got VAT on fees to absorb too.



Philly Ponniah, Philly Financial – Chartered Wealth Manager

What this means for families

VAT does not just affect the next invoice; it changes the long-term affordability of private education. The Good Schools Guide has highlighted that most schools are passing on at least some of the VAT to parents, so if you're unsure how this will affect you, it's worth speaking to schools directly and comparing fees with previous years, to estimate the increase. It's also sensible to ask what support may be available, such as bursaries or fee support arrangements.



"As a privately educated parent now looking at schooling options for my son, the cost of education is something my husband and I discuss regularly. When we went to school, private school day fees were in the region of £3,000 to £4,000 per term. Fast forward to today, and options are around three times that, plus VAT, so it really is a huge decision for families. Ultimately, our choices will come down to finances, so anything to help us examine what this might look like and what our options are could have a significant impact."

Ellie Austin-Williams, author, content creator and mother of one

Photo by Pexels.com

Private school bursaries – vital and under pressure

Private schools continue to offer bursaries and scholarships, but the shape of that support is changing.

Historically, schemes such as the Assisted Places Scheme provided broader access to independent education, but as these programmes were phased out, financial support has become more fragmented and competitive.

> Only around 1.3% of pupils receive awards covering most or all fees.

The Good Schools Guide highlights that around **£1.1 billion** is distributed each year to approximately 156,000 pupils, roughly 30% of private school students. However, full or transformational bursaries remain rare. Only around 1.3% of pupils receive awards covering most or all fees. **Most support takes the form of partial reductions, often between 10% and 25%**.

Rising costs, VAT and staffing pressures are stretching bursary budgets, leading many schools to spread support more thinly across families.

The ISC Census highlights that £440 million was provided across ISC schools, with almost half of all pupils with more than half of their fees remitted. (ISC, 2024).

What this means for families

Bursaries can make a meaningful difference, but they are rarely a complete solution and the means tested system means that there are strict rules governing eligibility. Bursaries work best as part of a wider plan, not as something a family should depend on fully to make the numbers work across the whole journey.

> "The vast majority of families using independent schools are not super-rich. They are dual-income, hardworking families, often making real lifestyle sacrifices to afford it."
>
> **The Good Schools Guide**

SEND: when timing, support and costs collide

For families navigating Special Educational Needs or Disabilities (SEND), timing is critical. Delays force parents into last-minute private provision, where rising fees and VAT changes add practical pressure to an already emotional journey, compounding affordability challenges across the UK. Many parents find themselves making decisions before they have full clarity on diagnosis, support or long-term provision. Choices about schools, funding and even housing can be shaped by uncertainty rather than preference.

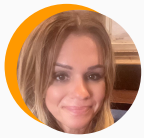
In February 2026, the Department for Education published its Schools White Paper, setting out a long-term reform programme for SEND. The stated aim is earlier support in mainstream settings, with more specialist input available locally, even where a child does not have an EHCP. For families, this matters. If support becomes faster and more consistent, it could reduce the pressure to pay privately simply to move things along. But the transition is expected to take years, so the gap between need and support remains a reality right now.

Turning to private assessment

Faced with long waits, some families pursue private autism assessments for quicker clarity, typically costing **£2,000–£3,000**, which can be an unplanned expense during a stressful time.

Crucially, a private diagnosis doesn't guarantee state-funded support; families must still navigate local authority processes. This gap in provision may force families to consider private or specialist options for schooling as a practical response, not an aspiration choice.

> "Our daughter was first treated for glue ear and had speech and language therapy. Private health insurance covered grommets, and even her first autism assessment, because anxiety was flagged as a symptom. But when we needed a second autism assessment, we faced an NHS wait of up to three years. By then she would have been 15. We chose to pay privately, which cost nearly £4,000.
>
> When you're navigating SEND, you're not just making educational decisions, you're making financial decisions at the same time, often without much time to think."



Jane Stock, mum of two.
Kent, UK. Feb 2026

SEND: when timing, support and costs collide

Waiting for diagnosis

Demand for NHS neurodevelopmental assessments, particularly for autism, has surged. **Over 200,000 people in England are waiting, often 12–18 months or more**, significantly exceeding the 13-week target. This delays access to crucial support, and often adjustments rely on school resources without a diagnosis or an Education, Health and Care Plan (EHCP).

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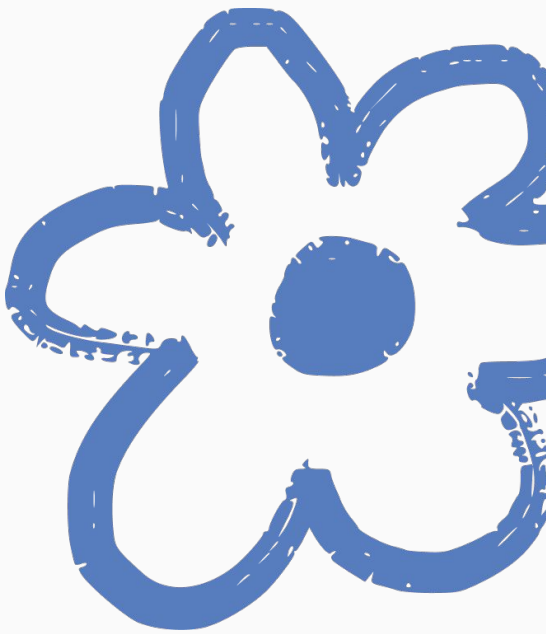
How SEND influences education choices

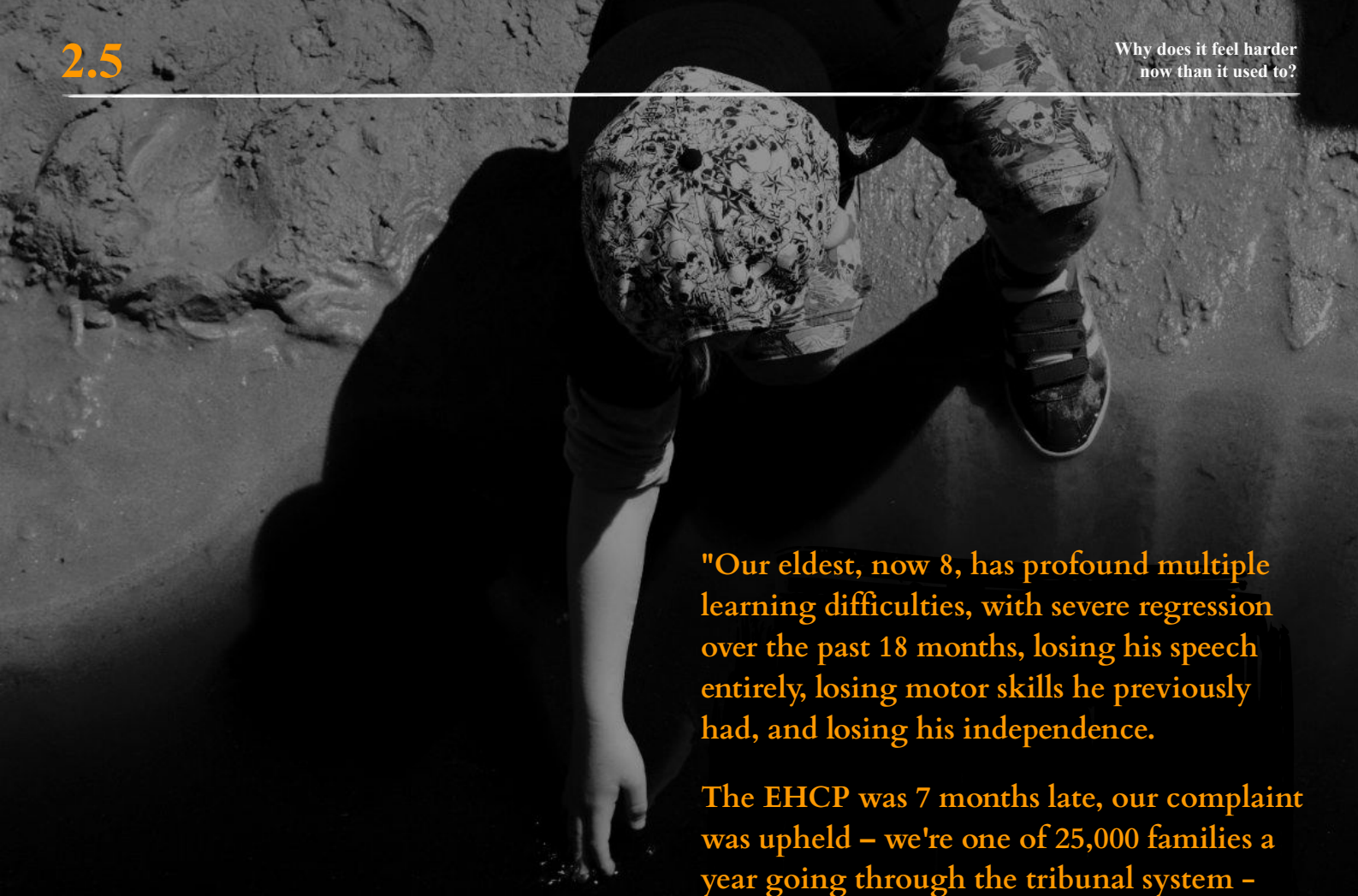
SEND needs can influence education decisions in ways that go beyond cost alone.

Parents may prioritise:

- Smaller class size
- Greater pastoral or learning support
- Flexibility around teaching and assessment
- Continuity and stability during key transitions

For some families, this leads to consideration of private or specialist provision, not as an aspirational choice, but as a practical response to gaps in local provision or capacity.





"Our eldest, now 8, has profound multiple learning difficulties, with severe regression over the past 18 months, losing his speech entirely, losing motor skills he previously had, and losing his independence.

The EHCP was 7 months late, our complaint was upheld – we're one of 25,000 families a year going through the tribunal system - 99% of whom are proved right. We wish we'd understood earlier the sheer scale of the process and realities of the financial exposure.

The financial planning gap for SEND families is enormous. You're not just planning for school fees. You're planning for assessments, therapies, specialist childcare, private medical appointments, potentially relocating, and the very real possibility that you'll have to fund years of provision the state should be covering. And you have to do all of that while still providing for the rest of your family."



Alex & Dani, parents of two.
Surrey, UK. Feb 2026

What this means for families

SEND adds an additional layer of complexity to education planning. Decisions are often made under time pressure, without full information and alongside emotional strain. Early awareness helps. Understanding likely wait times, potential costs and decision points can allow families to:

- Plan for diagnostic or support-related expenses
- Avoid crisis-led schooling decisions
- Preserve flexibility if needs or provision change
- Separate educational suitability from assumptions about affordability

SEND planning is rarely about finding a perfect solution. It is about creating enough space, clarity and flexibility to respond to a child's needs without compounding financial pressure.

Photo by Romain Virtuel

Intergenerational support: a necessary conversation

For many families, education planning does not sit with parents alone. Grandparents and extended family members often play a quiet but meaningful role, whether through childcare, regular contributions, one-off gifts or longer-term planning around inheritance. This reflects a broader shift in the UK towards intergenerational support, particularly as education and childcare costs have risen faster than wages.

The wider context: the UK's "great wealth transfer"

UK research suggests that **£5 to £7 trillion** is expected to pass between generations over the next 20 to 30 years, with multiple studies, including in the Knight Frank - Wealth Report, 2024, indicating that education is one of the most common intended uses of this wealth, alongside housing support.

What this looks like in practice

Survey-based research suggests that financial gifts and regular contributions from grandparents amount to several billion pounds annually, with education and childcare consistently cited as priority areas for support (Legal & General, Family and Financial Giving Report, 2022). Alongside this, grandparents provide an estimated £7–8 billion per year in childcare support, primarily through unpaid care, significantly reducing costs for working families (*Grandparents Plus*, 2013). Combined, this suggests that intergenerational support already forms a material but often informal part of how families manage education costs, even if it is rarely framed as part of a formal plan.

In many families, intergenerational support is unplanned, unspoken and more often than not triggered by pressure rather than intention. This can create uncertainty or discomfort for both parents and grandparents, particularly if support is assumed rather than discussed openly.

£5–7 trillion is expected to pass between generations over the next 20–30 years.

According to Paragon bank survey(2024) of 1,000 grandparents:

57%+
Contribute to school fees

40%
Contribute to university

14%+
Contribute over £10k annually

The £100,000 income cliff edge

For many families, the £100,000 income threshold is where education planning starts to get complicated.

> "The £100,000 threshold is one of the steepest and least understood cliffs in the UK tax system."

Institute for Fiscal Studies, 2024

Once a parent's income exceeds £100,000, a series of support networks fall away simultaneously. This often happens during the years when childcare costs are highest and multiple education expenses overlap.

Families affected typically lose:

- Access to funded childcare hours
- Tax-free childcare
- Their personal allowance
- Eligibility for most bursaries
- A larger share of income to tax, with an effective marginal rate of around 60%

What makes this particularly difficult is that many families cross the threshold unintentionally. Bonuses, promotions or returning to full-time work can tip income over the line, without any real change in lifestyle. As The Institute for Fiscal Studies notes, this is not a gentle taper; it is a sharp drop.

How the £100,000 rule works in practice

The assessment is per parent, not per household – a distinction that catches many families out.

- Two parents earning under £100,000 each can still qualify for childcare support
- One parent earning over £100,000 can lose entitlement entirely, even if the other parent earns very little or nothing
- A single parent earning over £100,000 loses access in full

The reality of this means that higher earnings does not automatically equal higher disposable income. In some cases, earning slightly more can make things materially harder.

> "The affordability gap is widening – families who once managed comfortably on combined incomes of £80,000 to £120,000 now describe themselves as financially stretched."

The Good Schools Guide, 2024

"The tax system actively punishes ambition around the £100k mark. You're earning more on paper, but keeping dramatically less in practice.

When people realise that earning an extra £10,000 can leave them worse off once childcare support and personal allowance disappear, it fundamentally changes how they think about their future."



Philly Ponniah, Philly Financial – Chartered Wealth Manager

What can families do to help?

Where intergenerational support is a possibility, clarity matters more than scale.

Open, early conversations can:

- Reduce pressure during peak cost years
- Help grandparents understand where support would be most helpful
- Allow contributions to be planned and phased, rather than reactive
- Avoid last-minute decisions driven by urgency

Importantly, not all families have access to inheritance or family support. Education planning should never assume this as a given. But where it exists, treating intergenerational support as one possible part of a considered plan, rather than an unspoken safety net, can increase confidence and reduce stress for everyone involved.

3

How families can make it work in practice

Families who navigate education planning most successfully don't have perfect information or fixed plans. What they share is a way of approaching decisions that prioritises clarity, flexibility and sustainability over certainty.

Rather than trying to "get it right" once and for all, resilient families are flexible, using natural review points to plan their journey and keeping their expectations realistic. Research consistently shows that adaptability matters more than optimisation when it comes to long-term financial and emotional wellbeing (Institute for Fiscal Studies, 2024).

The guidance below reflects how families manage the journey in practice and how education planning can feel more manageable, less overwhelming and more aligned with real life.

3.1

Lived experience: families take many paths

There is no typical education journey. Families arrive at decisions shaped by income, location, children's needs, timing and personal priorities. These factors are dynamic, not static: they change over time.

Across the UK, families commonly follow very different routes, including:

- State-educated parents exploring private options for their children
- Parents who were privately educated but choose state schooling due to cost
- Hybrid pathways (for example, state primary, private secondary, then university)
- State schooling with early planning for post-16 or university costs

Something to consider:

Instead of comparing yourself to others, anchor decisions in what feels sustainable for your family over time. Ask: does this choice still work if circumstances change? Sustainability matters more than labels.



3.2

Plan the full journey, then make decisions in stages

One of the most helpful shifts families make is separating the big picture from the next decision.

It's valuable to map the full 0–21 journey so you can see how costs stack up and where the pressure points are likely to impact you. But you don't need to lock yourself into a single, fixed plan from age three to 18.

Education naturally unfolds in stages, with built-in review points:

- Early years to primary
- Primary to secondary
- GCSEs to post-16
- Post-16 to higher education

Something to consider:

Keep the 0–21 view in mind. Then plan in shorter, manageable horizons, using each stage as a checkpoint.

- What needs to work right now
- When you'll pause and review (for example, ahead of key transition years)
- What you'd change if circumstances shift (income, needs, fees, support, location)

This approach keeps the long-term direction clear, while making it easier to stay flexible as life changes.

3.3

Use hybrid approaches to balance cost and continuity

Many families no longer see education as a binary choice between state or private. Hybrid pathways are increasingly common and often more flexibility.

This might include:

- Private education at key transition points
- State schooling combined with tutoring or enrichment

As **Sam Freedman, former government education policy adviser**, notes (May 2025):

> "Parents who do have concerns about managing higher costs may put their children in state primaries but then use private secondary schools."

Something to consider:

Think in terms of targeted investment, not all-or-nothing decisions. Hybrid approaches can reduce long-term cost while preserving continuity at important moments, and make it easier to adapt without feeling locked into a single path.

3.4

Plan for pressure points, not just averages

Education costs are rarely felt evenly. Financial and emotional pressure tends to peak at specific moments, including:

- Early years, when childcare costs are highest
- Overlap years, when more than one child is in paid education
- Secondary school entry, when fees often rise
- 11+ failure or unexpected GCSE results forcing changes to school or university decisions
- University accommodation and living costs

Something to consider:

Map these pressure points in advance, even roughly. Seeing them on a timeline helps you:

- Prepare financially and emotionally
- Avoid panic decisions
- Reframe intense periods as temporary and survivable

3.5

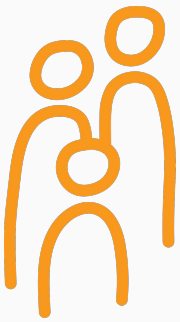
Treat support as helpful, not guaranteed

Many families factor in funded childcare, salary sacrifice schemes, bursaries, student loans or employer benefits when planning education costs. Used well, these can make a meaningful difference.

However, families who feel most secure tend to plan on the assumption that support may change, reduce or not materialise, rather than relying on it as a certainty. Eligibility rules can shift, availability can be uneven and some forms of support are competitive or limited in scale.

Something to consider:

Understand what support exists, but avoid building plans that depend on securing it. Treat support as upside rather than foundation. This preserves flexibility and reduces stress if circumstances change or support is withdrawn.



3.6

Think short-term *and* long-term

Many parents assume education saving should be continuous and linear. In reality, for most families it isn't.

Education costs tend to peak at specific stages, while saving capacity fluctuates around childcare costs, housing commitments, income changes and family size. As a result, saving often happens in bursts, rather than consistently over time.

For some families, early saving helps smooth later pressure points, particularly around secondary school transitions or university living costs. For others, saving becomes more realistic once childcare costs fall away. Both approaches are valid.

Saving for education is less about covering the full cost and more about preserving options. Even modest savings can reduce reliance on short-notice borrowing or difficult trade-offs later.

Something to consider:

Think of saving as a tool for flexibility, not perfection. Save when you can, pause when pressure is high and revisit plans at natural review points. The aim is resilience, not a flawless savings curve.

3.7

Have early conversations about support

For many families, grandparents play a quiet but significant role through childcare, regular contributions or one-off financial help. However, when expectations are unspoken, this can create uncertainty or discomfort on both sides.

Something to consider:

If intergenerational support is possible, clarity matters more than scale. Early, open conversations help to:

- Align support with real costs and timing
- Reduce pressure during peak years
- Avoid decisions being made in crisis

Education is often a natural place to discuss shared support, because it is time-bound, purpose-driven and closely linked to opportunity.

3.8

Build reassessment into your plan

Revisiting education choices is not a failure of planning. In fact, it is often a sign of thoughtful decision-making.

Families reassess for many reasons: income changes, children's needs evolving, costs become clearer, support being withdrawn or new options appearing.

Something to consider:

Treat reassessment as part of the journey, not a disruption. When handled calmly and deliberately, it often leads to better long-term outcomes and more confidence in the decisions you're making.

> "The families who do best are open-minded, proactive and involved. Education works best when parents see themselves as partners in the journey – getting involved, joining the PTA and understanding how decisions are made."
>
> **The Good Schools Guide**

Remind yourself of the purpose of education

Amid cost discussions, many families find it grounding to return to the purpose of education itself. Helping build a secure future for their children.

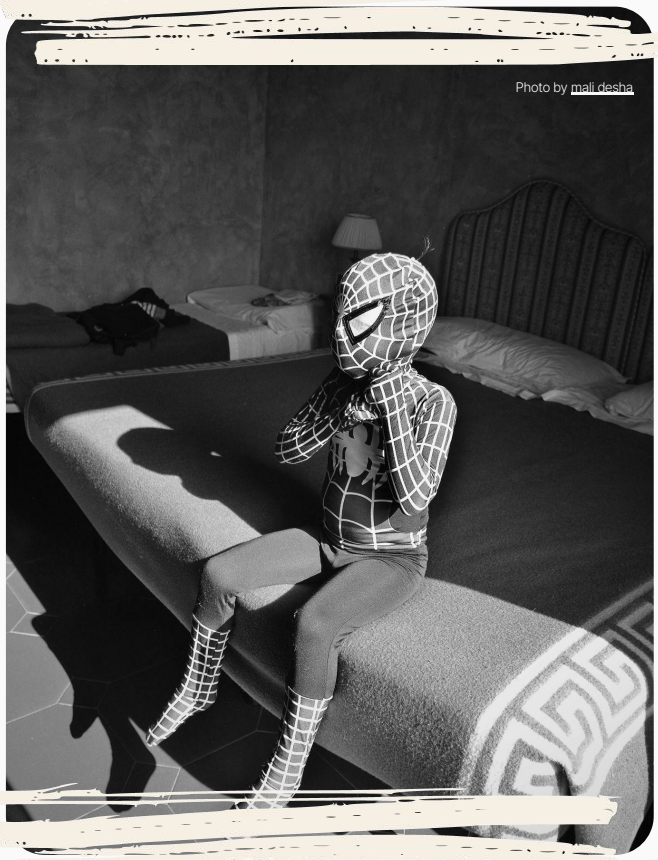
Parents consistently prioritise:

- Stability
- Wellbeing
- Confidence
- Curiosity
- Preparation for adult life

These outcomes are shaped by far more than fees alone. Research shows that parental engagement and emotional security play a major role in educational outcomes, regardless of pathway (Sutton Trust).

Something to consider:

Use these outcomes as your decision filter. Re-centering on purpose helps avoid equating cost with quality and supports choices that feel aligned with your values, not pressure.



4

Final thoughts: practical tips on what parents can do now

Families do not need the whole journey mapped out today. But this paper shows that waiting until costs feel urgent reduces choice and increases stress. These actions help you build visibility early and avoid reactive decisions later.



Things to think about now

Look beyond the next bill

A rough ten to 15-year view helps you spot pinch points (childcare years, overlap years, secondary jumps, university living costs) before they hit.

Support helps, but isn't guaranteed

Understand that funded hours, salary sacrifice, bursaries and loans can reduce costs, but eligibility and availability change. Plan as if you may not get the full benefit, then treat any support as an upside.

Talk to schools ASAP

Reach out to them sooner than you think – ask early about bursaries, payment terms, likely fee increases and any flexibility. Even a "no" is useful, because it offers clarity.

Think in blends, not extremes

Most families use a mix of income, savings, borrowing and family support at different stages. The goal is sustainability, not perfection.

Build in review points

Revisit plans at natural transition points – nursery, secondary, post-16, university – rather than constantly second-guessing.

Education planning is not about predicting the future perfectly. It's about creating enough visibility and flexibility to move forward with confidence.

For tools, guidance and next steps, visit www.sencillo.finance



About us.

How we hope to help!

This white paper was produced by Sencillo because families are making major decisions without clear visibility of the full cost of education or how today's choices shape the years ahead. Sencillo helps families plan earlier, bringing clarity to the journey from early years to university. We help parents understand their options, anticipate pressure points and make informed decisions with confidence.

Alongside trusted educational guidance, we provide practical digital tools and responsible funding options to support sustainable planning. Where families wish to explore funding, Sencillo acts as a broker, connecting eligible families with regulated partners and financial products. We are not a lender and do not provide financial advice.

With thanks,
Team Sencillo

To learn more, visit us @ www.sencillo.finance

Contributors & collaborators

A huge thanks go to all the contributors and collaborators, and the Sencillo team that helped bring insight, context and vast amounts of information into view to help families think forward, feel confident and build a secure pathway for their children.



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Sencillo | Spanish word | Meaning | simple, not complicated.

pronounced – (sen) (si) (low)

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