More than three quarters of parents expect to make financial compromises to support their children's education

- **New research shows many parents are saving for children's education without a clear financial plan**
- **One in four parents save child benefit while four in ten spend it on day to day expenses**
- **Back-to-school and back-to-college season prompts reminder for families to plan ahead for future education costs**

17th September, 2026: As families prepare for the new school and college year, new research from AIB highlights the importance of planning ahead for education-related costs and reveals that many parents are saving for their children's future without a clear financial plan in place.

The nationally representative research, conducted by Amárach Research, among 2,000 adults aged 25+, found that while education is a priority for many families, a significant proportion of parents are approaching future costs without a structured plan. Six in ten parents (61%) say they do not have a clear education-funding plan. Just 39% say they have a dedicated plan in place.

Financial Compromises for Children's Education

The research shows that **over three quarters of parents (77%) expect to make certain financial compromises within the household budget**, underlining the importance of planning early and considering the most appropriate way to set money aside for longer-term goals. The main compromises parents and guardians expect to make include **cutting household spending** (51%), foregoing holidays or lifestyle spending (47%) and using short term savings (43%).

Planning for Education Costs

Against this backdrop, the findings highlight a significant opportunity for parents and guardians to think more strategically about how they fund their children's education over the long term. While many families are already making a concerted effort to save, doing so without a clear plan, or without considering whether investing may be appropriate for longer-term goals, could mean missing out on the opportunity to make their money work harder over time. Taking financial advice early could help reduce the level of financial trade-offs parents may otherwise face when education costs arise.

Child Benefit Usage

The research also found that parents are using Child Benefit payments in a variety of ways. One quarter (25%) of parents who receive Child Benefit said they save the payment monthly, while just 4% said they invest it. 40% use their child benefit for day-to-day expenses. For families who are in a position to set aside some or all of this payment, it may be worth considering whether saving or investing is more appropriate, depending on their timeframe, financial circumstances and attitude to risk.

Ciara Ryan, Head of Wealth and General Insurance at AIB said: "Many parents are already working hard to put money aside for their children's education, but our research shows that a large number are doing so without a clear plan in place. For goals that may be five, ten or fifteen years away, there is a real opportunity to consider whether saving alone is the right approach, or whether investing could help families make their money work that little bit harder for them over time. The right approach will be different for every family, which is why financial advice matters. AIB has a dedicated financial planning team available to help customers look at their options, understand the difference between saving and investing, and put a plan in place that is right for their circumstances."

Starting saving for college early

Elsewhere, the research also shows that building a college fund is already a priority for many younger parents, with 19% of 25-34 year olds and 25% of 35-49 year old parents identifying it as one of their medium to long-term financial goals. However, this ambition sits alongside a wider advice gap. Overall, 81% of people surveyed said they had not sought financial advice in the past three years. This includes 57% who said they had never sought financial advice and a further 24% who had done so, but not within the past three years.

Anyone can speak with AIB's financial planning team to review their goals and consider the options available to them, including savings, investments, protection and pensions. Customers can meet an advisor in branch, over the phone or by video call.

ENDS

Notes to editor

- Research was conducted on behalf of AIB among a nationally representative sample of 2,000 adults aged 25+ in the Republic of Ireland between 2nd and 22nd July 2026.
- All figures are based on respondents to the AIB research unless otherwise stated.