If someone has sent you this: they're thinking about starting something, and they'd like to work out the financial implications for you both. Tick what you've done, and talk about the rest.

Runway: a checklist before you decide

Tick it on your own, or each of you separately and then compare.

The numbers

- [ ] **You've added up what you actually spent in the last three months.**
  From your statements, not from memory.
- [ ] **You know what has to be paid whatever happens.**
  Rent or mortgage, insurance, loan repayments and anything else you're already committed to.
- [ ] **You've counted tax still owed, the yearly bills and what your employer pays for now.**
  Tax on income you've already earned can still be due after the salary stops, and a pension contribution or health insurance your employer pays becomes your cost.
- [ ] **You know how much of your savings you could actually use.**
  Not counting money already set aside for something else, such as a deposit or the children.
- [ ] **You've estimated how long the idea would need before it pays you, and allowed for delays.**
  Customers often take longer to decide, and to pay, than you expect.

What could change it

- [ ] **You've looked at which fixed costs could go.**
  A cost you no longer pay lowers what you need every month.
- [ ] **You've talked about whether the household's other income could change.**
  For example, whether a partner could work more hours, or whether their income depends on yours.
- [ ] **You've thought about keeping some paid work for the first months.**
  Even two days a week reduces how much you'd take from savings each month.

The conversation at home

- [ ] **The people it affects have seen the numbers before anything was decided.**
  It's easier to talk about figures before a decision has been made than after.
- [ ] **You've each said what you could live on for a year.**
  Separately first, then together.
- [ ] **You've agreed the amount of savings left at which you'd stop.**
  It's much easier to agree this at the start than when savings are running low.
- [ ] **You've agreed what you'd need to have seen by then to keep going.**
  For example, a number of paying customers or a first contract, so the decision rests on something you can check.
- [ ] **There's a date in the diary to look at it all again.**
  Circumstances change, and a set date means you review the plan together, not only when money gets tight.

Why these points are important

When I ask someone who's thinking of starting something how long they could manage without their salary, the answer usually comes quickly: six months, maybe a year. In my experience that figure is usually too high, because a few costs get left out.

Costs that are easy to miss

- Tax still owed on income you've already earned.
- Bills that come once a year, such as insurance or the car.
- Costs your employer covers now, such as a pension contribution or part of your health insurance.
- Day-to-day spending, which rarely drops as quickly as people plan.

What I'd change first

I'd start with fixed costs, because reducing one lowers what you need every month. Then I'd look at other income in the household, and whether it could change. Then at whether some paid work could carry the first months, which reduces how much you take from savings.

Agree the point at which you'd stop

The most useful figure to agree before you start is the amount of savings left at which you'd stop. It's much easier to agree that at the start than when savings are running low and you're both under pressure.

What the answer means

A short runway doesn't tell you whether to start. It changes the shape of what you'd start: smaller, slower, or alongside paid work. A long one gives the idea more time before it has to pay for itself.

WHERE COACHING FITS

People at this point often use coaching to decide in advance what would make them stop, and to plan the conversation at home. I won't tell you whether your numbers are enough. I'll ask the questions that show what you'd do if they weren't.

What to look for in any coach
simonbowen.com/guides/choosing-a-coach

A free first conversation
simonbowen.com/enquire/?moment=start