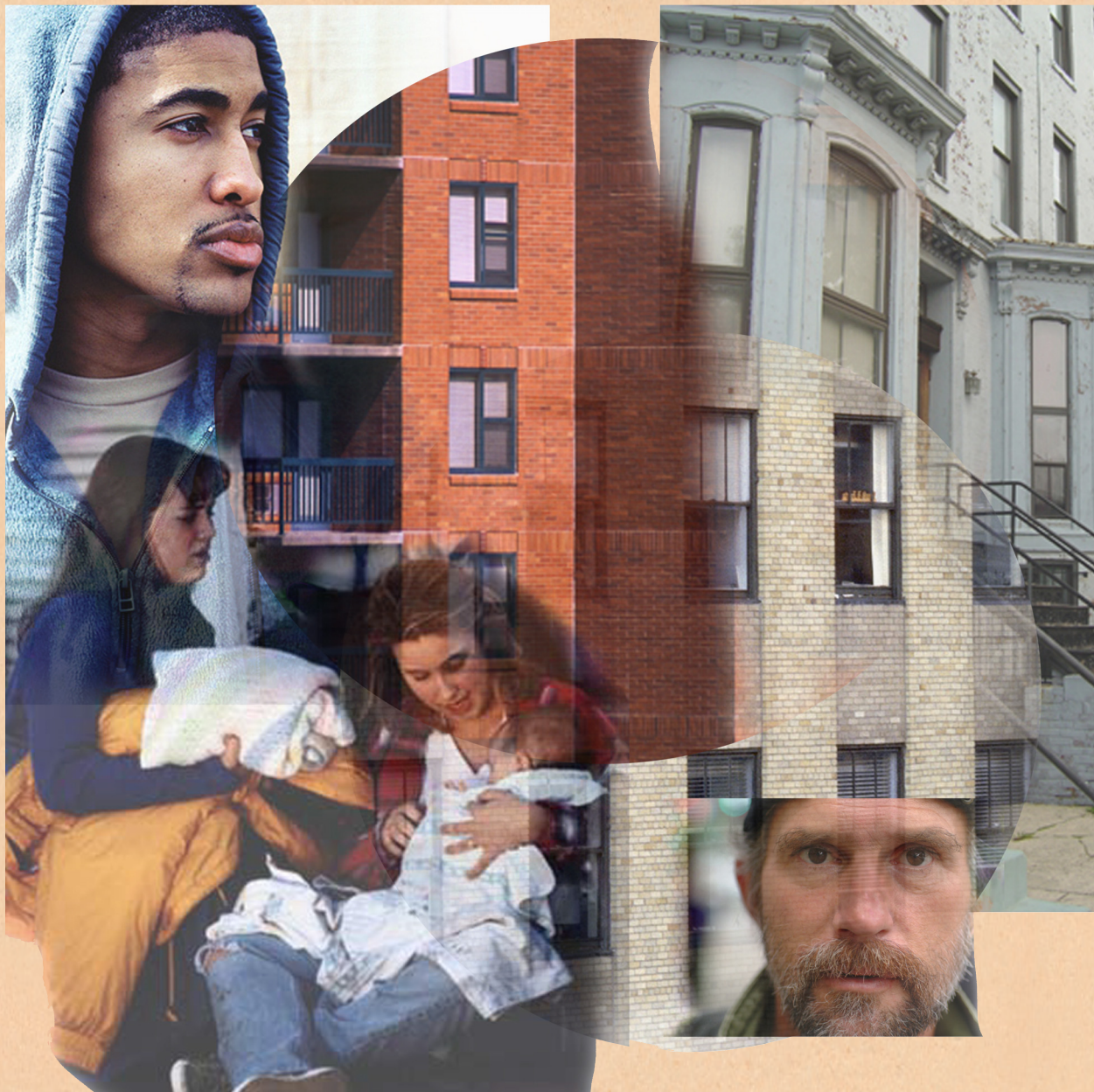# HUD's
HOMELESS ASSISTANCE PROGRAMS

Calculating Unmet Need for Homeless Individuals and Families

April 2006

Office of Community Planning and Development

Contents

Acknowledgements

Acknowledgements

Calculating Unmet Need

Introduction

This guidance will assist your community in preparing the McKinney-Vento application and undertaking long-term program planning. HUD has developed this guidance to assist CoCs in completing the unmet need calculation. However, communities may choose to continue using their own procedures to determine unmet need. The guidance introduces standardized formulas and procedures for calculating unmet need and identifies the data needed for the calculations. A document called "Worksheets for Calculating Unmet Need" is also available to assist with these calculations.

How Do You Calculate Unmet Need?

HUD's standardized methodology for calculating unmet need uses point-in-time data and local provider expertise to calculate an initial estimate of unmet need. Because the estimates from the standardized methodology may not reflect all that is known about the homeless population in your community, HUD recommends that key community stakeholders discuss the initial estimates to determine if adjustments are necessary to reflect other local information. HUD wants to ensure that Continuums have been thoughtful about assessing unmet need and in making plans to meet this need. Exhibit 1 displays the formulas for calculating unmet need by program type (emergency shelter, transitional housing, and permanent supportive housing).

Exhibit 1
Standardized Formulas for Calculating Unmet Need for Each Program Type:

Emergency Shelter, Transitional Housing, and Permanent Supportive Housing

Unmet need for Emergency Shelter (ES) = (The number of unsheltered homeless persons who need ES + the number of persons currently in ES who will only need ES) – (Total number of ES beds + ES beds under development)

Unmet need for Transitional Housing (TH) = (The number of unsheltered homeless persons who need TH + the number of persons in ES who need TH + the number of persons in TH who will only need TH) - (Total number of TH beds + TH beds under development)

*Unmet need for Permanent Supportive Housing (PSH) = (The number of unsheltered homeless persons who need PSH + the number of persons in ES who need PSH + the number of persons in TH who need PSH) - (Total number of **vacant** PSH beds + PSH beds under development)*

When calculating unmet need CoCs should remember that:

- Each person or family should be placed in the one program type that will best assist the household in resolving homelessness. For example, if there are 200 unsheltered homeless persons in the community, the number of unsheltered homeless persons in need of emergency shelter + the number in need of transitional housing + the number in need of permanent supportive housing should equal 200.

- The calculation of unmet need for each program type (emergency shelter, transitional housing, or permanent supportive housing) should be done separately for unaccompanied individuals and persons in families with children. This is necessary to accurately reflect the bed capacity needs for each group.

- Beds are under development if they are fully funded, but not yet serving homeless persons.

What Data Are Needed to Calculate Unmet Need?

As shown in Exhibit 2, most information for the unmet need calculation is already collected as part of the current application process. The *number of sheltered and unsheltered homeless persons* originates from your community's point-in-time survey and count, and is reported in aggregate in the Homeless Population and Subpopulations chart in the CoC application. The *number of existing emergency shelter and transitional housing beds,* as well as those *under development,* originate from your provider survey or other data collection that is used to document your community's inventory. Bed inventory is reported in the Housing Inventory Chart in the CoC application.

To determine unmet need for PSH, you will need to know the number of **vacant** permanent supportive housing beds during the point-in-time count. If you did not collect this information during your housing inventory survey or point-in-time count, estimate the number of vacant beds by using an average vacancy rate for PSH in your community.

You will also need the expert opinions of homeless assistance providers to determine:

1) The housing *needs* of homeless persons who are residing in emergency shelter and in transitional housing, and

2) The housing *needs* of homeless persons who are unsheltered.

To obtain this information, you can ask each provider listed in the Housing Inventory Charts to estimate the percentage of their clients that need emergency shelter, transitional housing, and permanent housing to ultimately resolve their homeless situation. These estimates should be collected during the point-in-time count or through separate contact with providers.

Exhibit 2	
Summary of Sources of Information for Calculating Unmet Need by Program Type	
Required Information	*Suggested Source*
Number of persons in ES	CoC application in the Homeless Population and Subpopulations Chart. (Original source: point-in-time count/survey)
Number of persons in TH	
Number of persons in PSH	
Number of unsheltered homeless persons	
Total number of ES beds	CoC application in the Housing Inventory Chart under the appropriate program total of Year-Round Beds in Current Inventory. (Original source: provider housing inventory survey)
Total number of TH beds	
Total number of *vacant* PSH beds	Provider housing inventory survey and/or point-in-time count
ES beds under development	CoC application in the Housing Inventory Chart under the appropriate total of Year-Round Beds Under Development. (Original source: provider housing inventory survey)
TH beds under development	
PSH beds under development	
The number of *unsheltered* homeless persons who need: - Emergency Shelter; - Transitional Housing; OR - Permanent Supportive Housing.	Outreach providers' estimates from survey or group discussion.
The number of persons in *emergency shelter* who need: - Emergency Shelter; - Transitional Housing; OR - Permanent Supportive Housing.	Emergency shelter providers' estimates from point-in-time survey or group discussion.
The number of persons in *transitional housing* who need: - Transitional Housing OR - Permanent Supportive Housing	Transitional housing providers' estimates from point-in-time survey or group discussion.

Collecting Information About Housing Needs for Homeless Persons Residing in Emergency Shelter or Transitional Housing

A question like the following can be included in a survey of emergency shelter and transitional housing providers to identify the housing needs of their clients:

At this point-in-time, what proportion (percent) of your clients need which type of program to help end their homelessness and stay housed? [1]

Emergency Shelter	% of clients
Transitional Housing	% of clients
Permanent Supportive Housing	% of clients
Total	100%

The percentages obtained from each provider should be applied to the provider's point-in-time count to calculate how many persons need each program type to end their homelessness. The resulting numbers should be totaled by program type (emergency shelter, transitional housing, and permanent supportive housing) for the entire CoC. Exhibit 3 provides an example of the calculation used to assign need in transitional housing. The same calculation can be done for emergency shelter and permanent supportive housing by substituting "need an emergency shelter bed" or "need a permanent housing bed" wherever "need a transitional housing bed" is mentioned in the formula.

Collecting Information About Housing Needs for Unsheltered Homeless Persons

You can obtain the housing needs of unsheltered homeless persons in one of two ways:

- Survey outreach workers or teams individually, average the estimated percentages, and apply the average to the total unsheltered population; or

- Convene a group of outreach workers to discuss and arrive at a consensus on the percentage of unsheltered persons in need of each type of housing.

If there are no outreach workers in your community to provide information on the program needs of unsheltered homeless persons, you should split the unsheltered homeless population between transitional (50 percent) and permanent supportive housing (50 percent). The even split between transitional and permanent housing is arbitrary, but research suggests that most

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[1] If a program serves both unaccompanied individuals and persons in families with children, then this question needs to be asked separately for each group.

of the unsheltered homeless population are long-term homeless persons who often have significant service needs.[2]

Exhibit 3
Calculating Unmet Need in Transitional Housing

Transitional Housing Bed Needs =

(Percentage of Program A clients that Provider A estimates need a transitional housing bed) x (Number of clients sheltered by Program A at the point-in-time count)

Plus

(Percentage of Program B clients that Provider B estimates need a transitional housing bed) x (Number of clients sheltered by Program B at the point-in-time count)

Plus

.... same calculation for all remaining ES and TH programs

Plus

(Percentage of unsheltered homeless population that outreach workers estimate need a transitional housing bed OR, if no outreach workers, 50% of the unsheltered population) x (Number of unsheltered persons at the point-in-time count)

*Unmet need for transitional housing = Transitional housing bed needs estimate **minus** the number of transitional beds currently available and under development.*

Modifying Your Estimate of Unmet Need

It is impossible for a standardized methodology to take into account other information on local homeless needs that your community may collect. Given the importance of understanding unmet need for planning purposes and the potential benefit of other local information, HUD recommends that your community bring together providers and other knowledgeable persons to discuss the initial unmet need calculations. Your CoC can then adjust unmet need numbers in the way that best represents the unmet need in your community. If you use HUD's standardized formula to calculate unmet need, you should report the initial unmet need numbers in the Housing Inventory Charts. You can use the

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[2] One implication of assuming that the unsheltered homeless population needs either transitional housing or permanent supportive housing is that unmet need for ES will result in zero or a negative number when using the standardized formula. For example: If the ES beds are not filled to capacity or some of the persons in ES need TH or PSH, then the unmet need for ES will be negative. If all persons in ES are identified as needing ES and the ES beds are filled to capacity, this would suggest that your community has zero unmet need for ES.

If you do not have outreach workers in your community and splitting the unsheltered homeless needs evenly into TH and PSH does not reflect their needs, then make the appropriate adjustments and include an explanation in the narrative portion of the application.

adjusted numbers for local planning purposes and report the adjustment in Exhibit J: CoC Housing Inventory Data Sources and Methods Chart in line number 7 as a best estimate of unmet housing need. You should also explain in detail how you arrived at the modified estimate.

Requirements for Reporting Unmet Need in the CoC Application

CoCs can use the standardized unmet need formula to calculate their initial unmet need which is reported in Exhibit I: CoC Housing Inventory Charts by program type for individuals, persons in families, and family units. If your CoC adjusts the initial unmet need result based on the availability of other local data, explain these adjustments in Exhibit J: CoC Housing Inventory Data Sources and Methods Chart in line number 7.

Questions and Feedback

If you have any questions about calculating unmet need using the standardized formula please send an e-mail to **Charlene_A._Johnson@hud.gov** and include **'unmet need question' in the subject line**.

HUD would also like to solicit feedback about the standardized unmet need calculation. Please send an e-mail with comments or suggestions for improvements to **Charlene_A._Johnson@hud.gov** and include **'unmet need feedback' in the subject line**.