

UNDERSTANDING THE URBAN BOTTOM 40: NIGERIA



DEMONSTRATING THE LIVING CONDITIONS OF HOUSEHOLDS AT THE BOTTOM OF THE URBAN INCOME PYRAMID.

Reall is an innovator and investor in affordable housing in Africa and Asia. Specifically targeting the **urban bottom 40% of the income pyramid (UB40)**, we develop, refine and share innovative housing models that unlock the political will, capital investment and end-user finance needed to create conditions for households on low incomes to secure homes.

Using public sector data from the Demographic and Health Survey (2018), this sheet provides an evidence-led understanding of the living conditions of the UB40, and how they compare to the rest of the population.

Homes, employment and education

Reliable regional or city-level monthly household income data has yet to be identified for Nigeria, and will be added in later iterations of this sheet. The labour market in Nigeria experiences high engagement from both men and women aged 15–49, though men remain more likely to be in work across all wealth quintiles. Similarly, men remain more likely to have at least a secondary education. Female-headed households make up 33% of the UB40, dropping to 26% of all urban households.

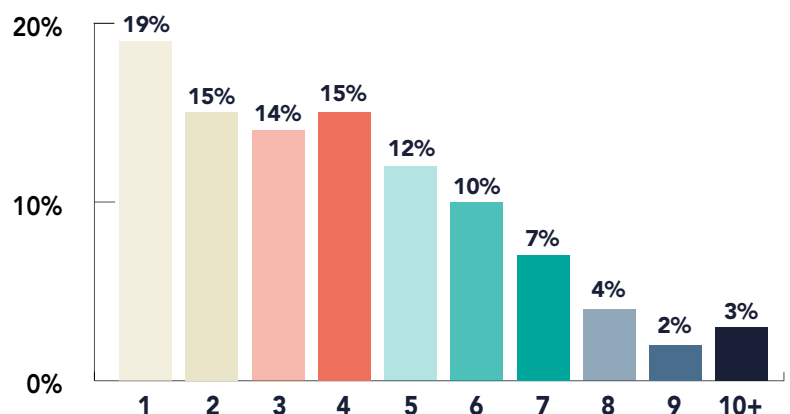
Women/men currently working		Women/men with at least secondary education		Female-headed households	
Bottom 40	21 st –40 th percentiles	Bottom 40	21 st –40 th percentiles	Bottom 40	21 st –40 th percentiles
66% / 87%	65% / 88%	50% / 62%	61% / 72%	33%	29%
	41 st –60 th percentiles		41 st –60 th percentiles		41 st –60 th percentiles
	67% / 83%		76% / 85%		28%

Household size and space

Household sizes in urban Nigeria vary significantly, but are smaller than some African countries and experience relatively little change across wealth quintiles. 19% of UB40 households consist of just one person, and there is a median household size of 4, dropping to 3 for the 41st–60th percentiles.

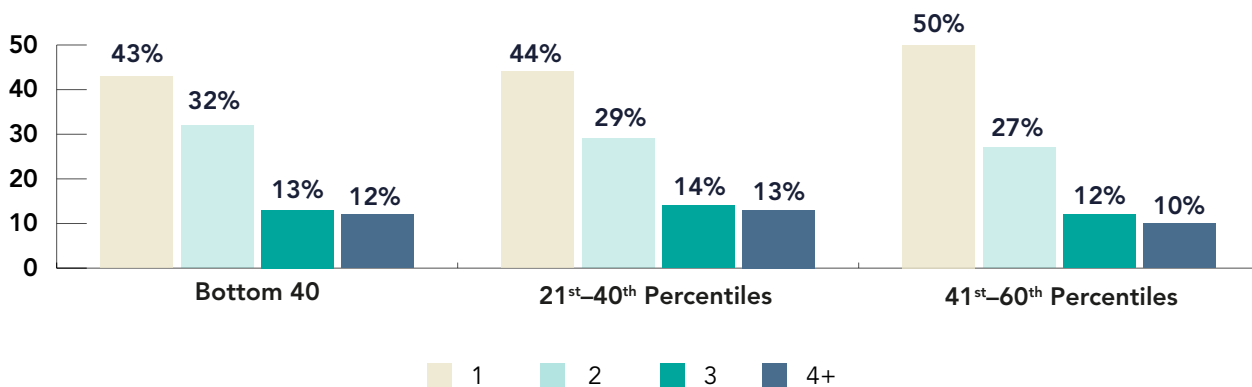
Homes are small, with around three-quarters consisting of one or two sleeping rooms¹ in all but the richest wealth quintiles. As a result of this, 31% of UB40 households are overcrowded, along with 31% of all urban households.²

Average number of people per household



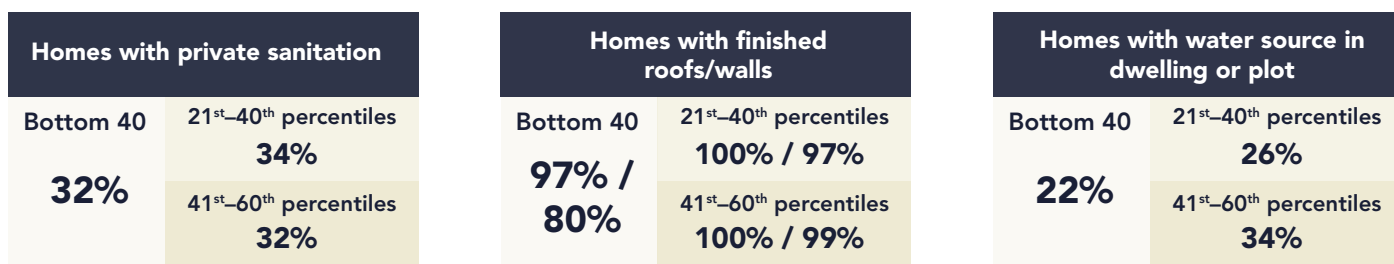
1 Sleeping rooms are defined as rooms excluding kitchens, bathrooms and garages.
2 Defined as three or more people per sleeping room.

Average number of sleeping rooms



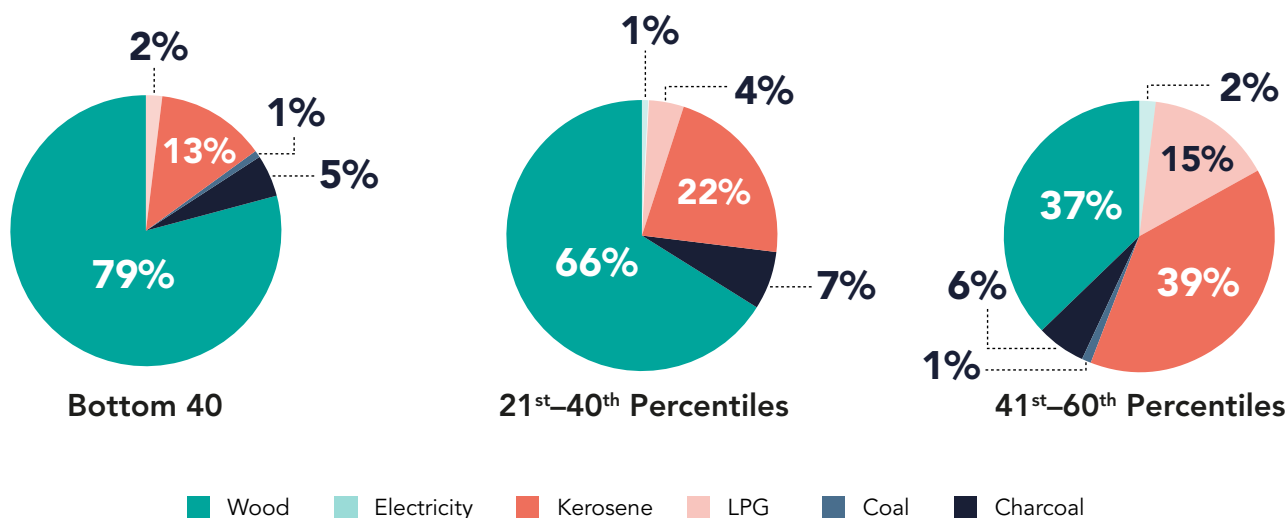
Housing conditions

Homes in Nigeria are generally constructed from durable materials,³ even within the UB40. Access to private sanitation⁴ is low, with less than one-third of UB40 households having access to their own toilet. Similarly, just 8% of UB40 households have access to general water within their home,⁵ with an additional 14% on their plot.



Wood is the main cooking fuel for the UB40, with kerosene being the only significant alternative. Liquefied-petroleum gas and kerosene become significantly more popular for wealthier groups, but wood remains a common option, even in the wealthiest quintile (37%).

Fuel used for cooking

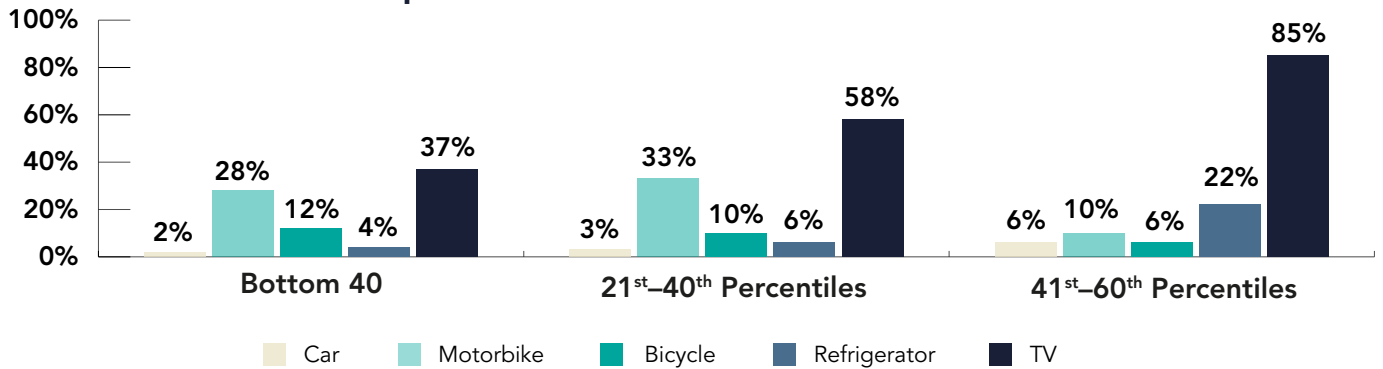


3 Finished roofs are those made of metal/zinc, cement or tiles. Finished walls are those made of cement/concrete, wood planks or bricks.
 4 Defined as having a toilet facility that is not shared with other households. Note that this data does not speak to the quality of that provision.
 5 Water used for cooking and cleaning.

Assets and inclusion

Ownership of a car is almost entirely limited to wealthier households; 13% of the total urban population own a car, but only 2% of the UB40. Bicycles are even less common than cars across the full urban population (7%), with motorbikes the most common form of private transportation (22%). Ownership of refrigerators are almost unheard of in the UB40, and around one-third of UB40 households have a television, increasing significantly for wealthier households.

Proportion of households with common assets



38% of men in the UB40 report that they own a home either singly or jointly, but only 17% of women say the same.⁶ Interestingly, men in the poorest quintile are more likely than any other group to own a home, with 40% reporting this compared to 30% in the wealthiest quintile. Access to both bank accounts and mobile money are uncommon for the UB40, and though bank accounts become significantly more popular for wealthier groups, mobile money is used by less than half the population in all wealth quintiles.

Women/men who own their home (alone or jointly)		Households with a bank account		Women/men that use a mobile phone for financial transactions	
Bottom 40	21st-40th percentiles	Bottom 40	21st-40th percentiles	Bottom 40	21st-40th percentiles
17% / 38%	15% / 36%	37%	51%	14% / 23%	18% / 31%
	41st-60th percentiles		41st-60th percentiles		41st-60th percentiles
	12% / 29%		75%		29% / 45%

6 In many cases, these homes are likely to be in an ancestral village and lived in either by other family members or sitting empty.

METHODOLOGY

This study utilises data from the Demographic and Health Survey (2018), produced by the National Population Commission, Nigeria.

Demographic and Health Surveys (DHS) are standardised and nationally-representative household surveys that provide data for a wide range of monitoring and impact evaluation indicators in the areas of population, health, and nutrition. Anonymised raw data is freely available for download and analysis, and using the DHS Wealth Index, users can isolate urban households by wealth quintile, providing rich data on the Bottom 40% of the income pyramid. In Nigeria, samples of 40,427 households, 41,821 females (aged 15-49) and 13,311 males (aged 15-59) were used.

This data builds on the **Market Shaping Indicators** programme, collating housing market data for individual countries and making it available to all. This data can be further explored at www.reall.net/msi.

Bottom 40 data can be further explored for Africa using a Dashboard created by the Centre for Affordable Housing Finance in Africa (CAHF), available at <https://housingfinanceafrica.org/documents/b40-dashboard>