Housing Affordability of State Civil Servants in Calabar, Nigeria

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Abstract

The global proportion of urban population has been on the increase since 1900 and it is expected to rise to 60% and 66% by 2030 and 2050 respectively. This high rate of population growth coupled with huge capital outlay required to develop housing made housing to be scarce and unaffordable. This paper examines rental housing affordability of civil servants in Calabar, Nigeria.

The concept of affordability guided this study and cross-sectional survey research design was adopted. Secondary and primary data were used. A multi-stage sampling technique was used to sample 302 civil servants from the existing nine ministries and thirty-six parastatals in Cross Rivers state. A structured questionnaire was used to collect primary data. Data were analysed using descriptive and inferential statistics.

The sex distribution of respondents indicates that male and female constituted 73.5% and 26.5% respectively. The middle-income brackets of between N40, 000 - N65, 000 and N65, 001 - N95, 000 jointly constitute 65.5% of the total respondents. The major factors that influence choice of rental housing according to 70.2% respondents were location, security, quality of housing, rent paid and neighbourhood characteristics. It was observed that between 2004 and 2017, rent increased, averagely on two years basis but salaries of civil servants were reviewed once (2013). The rent of a single room which stood at N16, 000 in 2004 increased to N32, 000 (an increase of 100%) in 2008 and further increased to N65, 000 in 2017.

No civil servant earned enough housing allowance to pay his or her house rent. The percentages of mean annual rents paid as housing allowances for civil servants on grade levels 13 and 17 were 73.14% and 86.53% respectively. Housing allowances for workers on grade levels 10 to 13 range between 224,056.00 and 292,569.00 but to have access to 2 or 3-bedroom flats. There was significant difference between mean housing allowances and mean annual rents (t=-14.755). There was a very strong positive relationship (r=0.952) between 'mean housing rent' and 'mean housing allowances'.

House rents paid by most civil servants on grade levels 01- 14 were not adjudged to be affordable. These categories of workers spent between 37% and 87% of the salaries on rental housing. Civil servants on GLs 15 to 17 appeared to be the workers who can afford rental prices when juxtaposed with their annual incomes without considerations for other household expenditures. The growing problems of rental housing affordability among civil servants has brought into focus the need for housing researcher and policy makers to develop a better understanding of the operation of urban rental housing market

1. Introduction

The global proportion of urban population rose dramatically from 13% (220 million) in 1900, to 29% (732 million) in 1950, and also rose further to 49% (3.2 billion) in 2005. By the year 2025, urban areas are expected to be homes to more than two-thirds of world's population (Edem, 2009). The figure is likely to rise to 60% (4.9 billion) by 2030 and by 2050, 66% of the world's population is projected to be urban (UN, 2005; 2014). This portends a negative indication for housing because

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population increase is not correspondingly catered for by increase in adequate housing. Furthermore, because of the nature of housing (capital intensive), most households do not and may not be able to afford owning an apartment. Hence, rental housing readily suffices to solve this aspect of the housing problem.

The need for rental housing emanated from several situations and reasons among which are: urbanization and its attendant housing problems which include the demand for and supply of housing, scarcity of land to buy and build and financial inadequacy to buy and build. In addition, when housing is needed temporarily, then rented housing is a cheaper alternative to hotel bills. Avoidance of the huge mortgage debt that may be incurred when buying or building a housing unit also influences decisions on rental option. The nature of household income also influences the decision to buy, build and rent (Okechukwu, 2009). Elegbede *et al* (2015) observed that civil servants' low level of income is the major factor influencing their choices of residential accommodations.

The Nigerian Third National Development Plan (1975-1980) observed that as a result of the acute shortage of suitable rental accommodation, especially for the low-income groups in major towns and cities, rents are extremely high and the average urban worker often has to pay as much as 40 per cent of his monthly income as rent. There is, therefore, no area of social services where the urban worker in Nigeria now needs relief more desperately than in housing (Federal Government of Nigeria, 1975). This is because housing is considered as the single largest expenditure in most household budgets (Baqutayan *et al*, 2015).

In contemporary times, the explosive population growth recorded in Nigerian cities has aggravated the existing problem of rental accommodation. There exists acute housing shortage because government and private individuals have not been able to build at proportions commensurate with the demands of the increasing population (Okechukwu, 2009). As a result of scarcity of rental housing in Nigerian cities, high rental cost made civil servants face difficulty in renting livable accommodation at affordable prices. In Nigeria, the 1999 constitution recognises housing as a fundamental human right; hence it is imperative that Nigerians have access to decent and comfortable accommodation at affordable costs

(Ogunbajo, 2015). Against this backdrop, this paper examines rental housing affordability of state civil servants in Calabar metropolis, Nigeria.

2. Conceptual Anchor and Related Literature
The concept of affordability provided the conceptual anchor for this work. Conceptualising or measuring affordability is as complex as understanding the causal factors of the housing affordability problem itself. There is no single accepted definition of what constitutes affordable housing. Definitions usually focus on the relationship between housing expenditure and household income, typically to establish a standard in respect of which the amount of income spent on housing is deemed affordable or unaffordable. MacLennan and Williams (1990) defined affordable housing as securing some given standard of housing at a price or a rent which does not impose unreasonable burden on household incomes. Bramley (1994) argued that households should be able to occupy housing that meets well established norms of adequacy at a net rent which leaves them enough income to live on without falling below some poverty standard. As observed by Hancock (1993), these two definitions are concerned with standards of housing consumption and more importantly, they capture the notion of opportunity cost, which she regarded as the essence of housing affordability (Okechukwu, 2009). Affordability implies the ability of households to pay the costs of housing without imposing undue burden on living costs (Stone, 1993).

In the opinion of Freeman *et al* (1997), housing affordability concentrates on the relationship between housing expenditure and household income and defined the standard in terms of the income above which housing is regarded as unaffordable. Affordability considers not just housing but also what quality of housing is consumed and whether the household has enough income remaining for other necessities of life after offsetting the cost of housing. At the level of national policy, despite the common use of such terms as "affordable housing" and "provision at affordable costs", most governments have often been reluctant to explicitly define affordability within a policy context, which could in part be attributed to inherent ambiguities with the concept and in part to political caution and expediency (Okechukwu, 2009).

In some countries, some policy definitions of affordability have been advanced. For instance, the Australian Government's National Housing Strategy (ANHS) defined affordability as the notion of reasonable housing costs in relation to income: that is, housing costs that leave households with sufficient income to meet other basic needs such as food, clothing, transport, medical care and education. In New Zealand, housing affordability is defined as the ability of households to rent or purchase housing in an area of choice at a reasonable price, the capacity of households to meet ongoing housing costs, and the degree that discretionary income is available to achieve an acceptable standard of living (Working Party on Affordability Issues, 2003; DTZ New Zealand, 2004). Generally, these definitions tend to invoke, with different levels of emphases some or all of the three standards on socially acceptable housing, housing cost and quality of life (King, 1994). It, therefore, implies that adequacy of shelter and residual income is considered the basic components in the definition of housing affordability.

There are two variations of expenditure-to income approach namely house price-to-income ratio (for assessing the housing affordability of homebuyers) and rent-to-income ratio (for assessing the housing affordability of rental households). Rent-to-income ratio measures rental housing affordability. It is the most conventional of all housing affordability indicators especially in those circumstances where the interest of the analyst or policymaker is in what might be termed the very margins of affordability – e.g., where other than renting is not an option; or where not being able to rent shuts you out of the housing market altogether. Based on the rule of thumb, it is a proportional measure, wherein affordable housing costs are set as a fixed proportion of income (Landt and Bray, 1997). It measures the ratio of the median annual rent of a dwelling unit in relation to the median annual household income of renters. This model pre-supposes that affordable rental-housing should not cost more than 25-30% of household's monthly income.

The United Nations generally accepted guideline for housing affordability is a housing cost that does not exceed 30% of a household's gross income. When the monthly carrying costs of a home exceed 30% of household income, then housing is considered unaffordable for that household. It has been argued that a maximum of 30% of household income spent on housing be used as a yard stick for measuring housing affordability across Europe and elsewhere (Andrews, 1998; Aribigbola, 2011; Pittini, 2012).

Determining housing affordability is complex and the commonly used housing-expenditure-to-income-ratio tool has been challenged (Okechukwu, 2009). Canada, for example, switched to a 25% rule from a 20% rule in the 1950s and in the 1980s; this was replaced by a 30% rule. Debates have largely revolved around the use of gross income, net income, equivalent income, equivalent-after-tax income; the addition of any housing allowance to rent or to net income; and the use of actual expenditure and expected expenditure. This resulted in the development of many variations of the ratio and different countries adopted different measures in relation to their particular housing subsidy or social housing benefit systems (Hulchanski, 1995; Freeman *et al.*, 1997).

Affordability ratio has been used extensively to analyse the regional and national housing affordability situation in virtually all the countries where such studies have been done especially in North America, Europe, Australia and New Zealand (Okechukwu 2009). In these countries, its wide but differing application has been useful in a number of ways, which includes: application as a tool for national housing analysis and policy definition; rent setting in social housing; selection of tenants for public housing, setting of housing allowances; and determination of housing grant levels (Freeman *et al.*, 1997). However, Marks (1984) and Stone (1993) criticized the ratio for its arbitrary benchmark that lacked scientific justification.

The main determinants of affordability are household income and price of housing (Elegbede *et al*, 2015). Workers have fewer housing choices if prices rise to non-affordable levels. Variations in affordability of rental housing between areas may create labour market impediments and potential workers are discouraged from moving to employment in areas of low affordability. They are also discouraged from migrating to areas of high affordability as the low house prices and rents indicate low capital gain, low potential and poor employment prospects (Okechukwu, 2009). Lack of affordable rental housing can make low-cost labour scarcer, and increase demands on transportation systems (as workers travel longer distances between

jobs and affordable housing). Faced with few affordable options, many people attempt to find less expensive housing by buying or renting farther out, but long commuting often result in higher transportation costs that erase any savings on housing. Pollard (2010) called this the "drive 'til you qualify" approach, which causes far-flung development and forces people to drive longer distances to get to work, to get groceries, to take children to school, or to engage in other activities. A well-located dwelling might save significant household travel costs and improve overall family economics, even if the rent is higher than a dwelling in a poorer location. Thus, a household must decide whether to pay more for housing to keep commuting time and expense low, or to accept a long or expensive commuting to obtain "better" housing.

According to Fadipe (2005), there are five major causes of rental housing affordability problem. They are lack of finance, level of provision and supply of rental housing, lack of housing choice, anti-social behaviour and lack of education and awareness. Lack of affordable rental housing places excessive burden on civil servants. Because of their plight, civil servants are unable to save, they lack collateral to access funding and, therefore, unable to access affordable housing. In most cases, "affordable housing" is not affordable (Fadipe, 2005). It is often out of the reach of civil servants, most especially, the low-income earners. The annual building completing rate is low and this means that demand will continually outstrip supply. There is not enough affordable rental housing to meet demand in Nigeria. The prevailing economic condition in the country has also led to exorbitant cost of housing construction. Thus, most civil servants have been finding it difficult to gain access to rental accommodation.

The emphasis of housing provision in Nigeria is on home ownership and not renting. Nigerian government does not have specific policy on social rental housing for workers since there are housing allowances in salaries of civil servants. The only option for renting is, thus, left to private landlords who are not regulated. Workers on fixed or monthly income, most especially civil servants who do not have other sources of income are mostly hit by the activities of these rental housing providers. Often, civil servants cannot afford the 2 years rent required in advance by private landlords, thereby ending up in cheap submerged residential buildings.

3.   The Study Area

Calabar is the administrative capital of Cross-River State, one of the thirty-six states in Nigeria. It is bounded by the Calabar River to the west, Great Kwa River to the east and the wetlands of the Cross River estuary to the south. According to the provisional census results of 2006, Calabar Municipality and Calabar South which constitute Calabar metropolis had a combined population of 371,000. Like most Nigerian cities, population growth rate in Calabar is considerably high. In the most recent times, the influx of people to Calabar is due to the establishment of companies and parastatal such as the Free Trade Zone (FTZ), UNICEM Factory and Tinapa International Business Resort. The government in conjunction with the European Union has established a water board known as Cross Rivers State Water Board that supplies households with portable water. Other recent developments that attract migrants include the National Integrated Power Project on Calabar-Itu highway at Ikot Nong in Odukpani Local Government Area, hence, a better prospect for stable electricity. All these developments led to increasing demand for rental housing by people that belong to different social classes. The choice of Calabar metropolitan area is justified because of the quantitative housing shortage occasioned by rise in population growth and influx of people into the city.

According to the provisional census result of 2006, Cross Rivers State has 165,770 rental housing units and out of this, 93,592 were located in Calabar, the state capital. Rental housing constitutes 74.3% (69,509 units) of the total housing units in the city. This indicates that for every ten housing units, seven are rental houses. Rental housing is a veritable tool in combating housing challenges in Calabar. It can then be inferred that rental housing is very important to majority of both the poor and rich. The perceived interests of landlords in Calabar are to build houses for rent because of vibrant rental housing market. However, the status of rental value is very crucial for those who earns annually fixed monthly income (salary earners), most especially civil servants.

Calabar, is an island surrounded by water, hence, expansion and development of rental housing has been restricted by this natural barrier. Because of poverty and scarcity of land, the available lands are sold at exorbitant prices. Despite the fact that the Nigerian Land Use Decree (now Act) was

introduced in 1978, ostensibly to facilitate speedy and equitable access to land for housing development, land is still owned by families and sold at high prices. After purchase from the land-owning families, the buyer then regularizes his or her tenure through the formal institutional processes. In practice, the procedure for obtaining and developing residential land is excessively bureaucratised, obstructive and riddled with corruption. All these have negative effects on rental housing production and cost. Consequently, overcrowding, high rents, slums and squatter settlements are common features of the urban scope (Mba, 1993).

4.   Methodology

Cross sectional survey research design was adopted for the study. The study made use of quantitative and qualitative data and they were sourced from both primary and secondary sources. Location and infrastructural maps of the study area were obtained from the Cross Rivers State Ministry of Lands while salary structure of civil servants was obtained from the Office of Head of Service of Cross Rivers State. Information on population and housing were collected from the National Population Commission office in Calabar. The records of estate surveyors and agents were consulted for relevant information on rental value.

Primary data were collected through the use of household questionnaire. The questionnaire contains information on socio-economic characteristics (age, income, sex, occupation) of respondents; housing characteristics (tenure choice, type and age of building and access to rental housing); and rental housing affordability. A multi-stage sampling technique was used to select 302 civil servants from 6,040 civil servants working in the existing nine ministries and thirty-six parastatals in the state. Cross Rivers State has nineteen thousand (19,000) employees in her pay list but only six thousand and forty (6,040) reside in Calabar.

Civil servants were categorized into three social classes, namely: the lower class which consists of GLs 1-6, the middle class (GLs 7-12) and the high class (GLs 13-17). In order to determine the affordability level of each class of civil servants, the mean salary of each grade level of civil servants was computed, and the mean rent allowance in each level was also computed. Data were analysed using descriptive and inferential statistics (Pearson Product Moment Correlation and Student t-test at $p \le 0.05$).

5.   Findings and Discussion

The sex distribution of respondents indicates that male and female constituted 73.5% 26.5% respectively. Analysis of the age of respondents revealed that 5.5% was recorded for those below 25 years old, 27.3% for those between 26-35 years, and 38.3% for respondents between 36-45 years. Others that fall between 46-55 years and 56-65 years recorded 23.7% and 3.2% respectively. This result indicates a fair distribution of questionnaires among all age groups considered for this study.

The marital status of respondents showed that over three-quarters (79.5%) respondents were married while 20.5% respondents were single, divorced, widow or widower and separated. Distribution of household size revealed that while over half of the respondents (57.6%) had between 4 and 6 members, 1-3 members constitute 30.5% and 6 members and above constitute the remaining 11.9%. Household size has effects on rental housing affordability problems because of other household expenses.

Respondents with primary education recorded only 1%, secondary education (10.3%) and tertiary education (88.7%). This is an indication that respondents were well educated. The influence of education on selected respondents may be attributed to the encouragement derived from the establishment of almost all tertiary institutions in Cross Rivers State at Calabar and the efforts of the government to ensure its entire workforce are properly educated.

With reference to the civil service arms that respondents work with, 12.6% worked in the Ministry of Education, Ministry of Sports (5.6%), Ministry of Health (4.6%) and Ministry of Environment (22.8%). Respondents for the Ministries of Tourism, Lands and Housing, Women Affairs, Justice, Information, Finance and Agriculture recorded 46.4 per cent. Information on Grade Levels (GLs) of respondents showed that only 3% were on GLs 1-6, GLs 7-10 (66.5%) and GLs 12-17 (30.45%). This is an indication that middle-class civil servants were in majority in the state government employment. About 19% (18.5%) employees had worked for between 1-5 years, 6-10 years (11.6%), 11-15 years (23.8%), 16-20 years

(9.3%), 21-25 years (20.5%), 26-30 years (7%) and 31-35 years (9.3%).

Investigation revealed the incomes or salaries of respondents as thus: 14.6% earned between N15, 000 and N25, 000; N25, 001 - N40, 000 (11.9%); N40, 001 - N65, 000 (40.7%); N65, 000 - N95, 000 (24.8%); and above N100, 000 (7.9%). The middle-income brackets of between N40, 000 - N65, 000 and N65, 001 - N95, 000 jointly constitute 65.5% of the total respondents. In spite of salaries, workers are also entitled to housing allowances which are meant for rent payment or construction of owner-occupied housing units.

Almost 44% respondents (43.7%) had spent between 1-5 years in rented apartments, 6-10 years (29.8%), 10-15 years (15.6%), 16-20 years (7%) and above 20 years (4%). Houses that were in good condition constitute 20.9%, fair (59.6%) and poor (19.5%). One can, therefore, infer that about 20% residential buildings need to be upgraded to required standards in order to improve the general well-being of their residents. Private individuals popularly called "landlords" were the major suppliers of rental housing.

Not less than 80% (80.4%) of the respondents have access to electricity, 12.6% used generating plants, while the remaining 7.0% relied on other sources of power such as solar and inverter. Available information on source of water supply indicates that 64.6% respondents identified pipe borne water as their major source of water, borehole (31.1%) and well (2.3%). High utility bill affects housing expenditure.

The major types of toilet facilities identified by respondents were water closet (80.50%) and pit latrine (12.6%). The public sector collected and disposed solid waste generated by 99.0% respondents and this may be due to government commitment to keep the city clean. Availability of electricity, pipe-borne water and conventional sanitation and waste management facilities have some influential roles to play in rental prices.

The major factors that influence choice of rental housing were location, security, quality of housing, rent paid and neighbourhood characteristics. Over 70% respondents confirmed these factors as very significant. Location was a significant factor that influenced the choice of rental housing by 80.5% civil servants. It is evident from the study that most times, workers make their choice of housing based on proximity to their places of work as emphasized by 72.6% respondents. This may be due to the convenience of getting to work earlier and reduction of long commuting hours. Hence, most respondents would want to live and by implication, pay more to live nearer to their places of work.

Not less than 80% respondents (80.4%) preferred to live in fair/good quality housing units while 75.5% respondents claimed that low rents prompted them to rent their houses. Another 81.6% respondents decided to live in their present houses due to the presence of neighbourhood facilities such as access road, water and electricity. Security factor was identified by 76.5% respondents. These respondents reside in places where they believed security of life and property were guaranteed. The implication of this is that demand for rental housing depends on structural, neighbourhood and locational attributes of housing.

Table 1 contains information on government provisions (mean housing allowances) for rental housing and mean annual salaries for all categories of workers. Rental provision of the government in the salaries of its employees was averagely 27% for GLs 1-14, Grade Level 15 (21.7%), Grade Level 16 (19.1%) and Grade Level 17 (19.64%). No civil servant earned enough housing allowance to pay his or her house rent as shown in Table 1. House rents were higher than housing allowance. The mean annual rent of a single room (self-contain apartment) consumed mostly by civil servants on GLs one to three in 2017 was 178,350 while the mean annual housing allowances for the highest paid workers in this category was 81,098.00, a difference of N101, 701. While housing allowance for a worker on grade level 4 was 82,206.00, a worker on grade level 7 received N132, 312.00. To gain access to 1-bedroom flat (room, parlour and kitchen with lavatories), a worker that falls within these grade levels need to pay about N260, 000 as house rent. Civil servants on grade levels eight and nine required about N350, 000 to rent a 2-bedroom flat but their housing allowances were N169, 618.00 and N198, 032.00 respectively. Housing allowances for workers on grade levels 10 to 13 range between N224, 056.00 and N292, 569.00 but to have access to 2 or 3-bedroom flats, such workers were expected to pay N400, 000 as house rents. Average rent for a 3 or 4-bedroom flat was N480, 000 but the highest paid civil servant on grade level 17 received N415, 352.00, a deficit of N64,648. Percentages of mean annual rent paid as housing allowance seemed to

favour senior staff, most especially those on grade levels 13 to 17. Percentages of mean annual rent paid as housing allowances for civil servants on grade levels 13 and 17 were 73.14% and 86.53%, respectively.

Table 1: Mean Housing Rent and Mean Housing Allowance (₦)

Grade level	Mean Housing allowance (₦)	Mean Annual Rent (₦)	% of Mean Annual Rent paid as housing allowance	Difference	Housing Type
1	76,649.00	178,350	42.976	-101,701	Single room self-contain apartments
2	78,795.00	178,350	44.2	-99,555	
3	81,098.00	178,350	45.47	-97,252	
4	82,206.00	260,000	31.62	-177,794	1-bedroom flats. (room, parlour and kitchen with lavatories)
5	93,589.00	260,000	35.99	-166,411	
6	101,424.00	260,000	39.01	-158,576	
7	132,312.00	260,000	50.88	-127,688	
8	169,618.00	350,000	48.46	-180,382	2-bedroom flat.
9	198,032.00	350,000	56.58	-151,968	
10	224,056.00	400,000	56.01	-175,944	2 or 3-bedroom flats
12	238,795.00	400,000	59.70	-161,205	
13	292,569.00	400,000	73.14	-107,431	
14	317,579.00	480,000	66.16	-162,421	3 or 4-bedroom flats
15	350,148.00	480,000	72.95	-129,852	
16	385,368.00	480,000	80.285	-94,632	
17	415,352.00	480,000	86.53	-64,648	

Source: Authors' Field Survey, 2017

A paired-sample t-test model was used to ascertain if there was significant difference between mean housing allowances and mean annual rents. Table 2 shows the paired-sample t-test results. The paired t-test shows that the t-value for the variables 'mean housing allowance' and 'mean annual rent' is -14.755 at 15 degree of freedom and is significant at 0.01 level (i.e., 99% confidence level). A probability of 0.000 indicates that the diffidence could not have arisen by chance. However, investigations revealed that positive correlation exists between housing rent and housing allowances. The correlation between the variables 'mean housing rent' and 'mean housing allowances' was as high as 0.952 (see Table 3). This correlation shows that there is a very strong positive relationship between 'mean housing rent' and 'mean housing allowances'. What this implies is that as housing allowances increased, house rent also increased. The ** indicates that the probability of this correlation coefficient occurring by chance is less than 0.01 (1%). This correlation is, therefore, significant at 0.01 level of significance.

Table 2: The Paired Sample t-test Results for mean housing allowance and mean annual rent

Variables Pairs	Paired Difference			99% Confidence Interval of the Difference		t	df	Sig. (1-tailed)
	Mean	Std. Deviation	Std. Error	Lower	Upper			
Mean housing allowance and mean annual rent	-134841.25000	36555.84269	9138.96067	-154320.48357	-115362.016	-14.755	15	.000**

** Significant at the 0.01 level (1 tail test)

Table 3: Correlation between Mean Housing Rent and Mean Housing Allowance

		Mean Housing Rent	Mean Housing Allowance
Mean Housing Rent	Pearson Corr.	1.000	.952**
	Sig. (1 tailed)	.	.000
	N	16	16
Mean Housing Allowance	Pearson Corr.	.952**	1.000
	Sig. (1 tailed)	.001	-
	N	16	16

** Correlation is significant at the 0.01 level (1 tail test)

According to some respondents (63.6%), in order to make excessive profit, private landlords used to increase rent at will. Other reasons advanced for frequent rent increase according to the remaining 36.4% respondents were excessive demand for limited accommodations, cost of maintaining existing residential buildings, high rate of inflation, personal differences with landlords and greed of private landlords. Studying the rental trend for the period of fourteen years (2004-2017), it was observed that rent increased, averagely on two years basis but salary structure of state civil servants was reviewed once, precisely in 2013.

Table 4 contains information on rental values between 2004 and 2017, as revealed by the records of estate surveyors and agents. A glance at the table shows that the rent of a single room which stood at N16,000 in 2004 increased to N32,000 (an increase of 100%) in 2008 and increased further to N65,000 in 2017. In 2004, the cost of renting a self-contain apartment was N32,000 but this skyrocketed to N150,000 in 2013, an increase of more than 300%. It rose further to N225,000 in 2017. The increase in rental value of mini flat between 2004 (N80,000) and 2017 (N350,000) is more than 300%. The costs of 2/3-bedroom flat and 3/4-bedroom flat in 2004 were N100,000 and N120,000 respectively but in 2017, rents paid for occupying these types of residential buildings were N400 000 and N600,000, respectively. An increase of more than 250% was also recorded for duplex between 2004 (N600,000) and 2017 (N2,200,000).

Table 4: Average House Rent (2004 -2017)

Year	Single Room	Self-contain	Mini Flat	2/3 Bedroom Flat	3/4 Bedroom flats	Duplex
2004	16,000	32,000	80,000	100,000	120,000	600,000
2005	22,000	45,000	100,000	100,000	130,000	650,000
2006	26,000	50,000	120,000	150,000	150,000	750,000
2007	29,000	60,000	150,000	150,000	180,000	800,000
2008	32,000	65,000	180,000	200,000	220,000	850,000
2009	34,000	70,000	200,000	220,000	250,000	900,000
2010	38,000	75,000	220,000	250,000	300,000	900,000
2011	44,000	100,000	250,000	300,000	350,000	1,000,000
2012	46,000	125,000	300,000	300,000	350,000	1,200,000
2013	52,000	150,000	300,000	350,000	420,000	1,200,000
2014	55,000	180,000	300,000	350,000	450,000	1,800,000
2015	60,000	180,000	300,000	350,000	450,000	1,800,000
2016	60,000	200,000	350,000	400,000	550,000	1,800,000
2017	65,000	225,000	350,000	400,000	600,000	2,200,000

Source: Authors' Field Survey, 2017 (Computed from Salary Structure obtained from the Office of Head of Service)

House rents paid by most civil servants were not adjudged to be affordable taking cognizance of their salaries. A glance at Table 5 shows that house rents were not affordable for civil servants on grade levels 01-14 whose mean annual salaries range between N281,311.00 and N1,149,251.00. These categories of workers spent between 37% and 87% of the salaries on housing. The mean annual rent of a single room (self-contain apartment) meant for civil servants on GLs one to three in 2017 was N178, 350 while the mean annual salary of the highest paid workers in this category was N296, 415.00. In other words, such workers will be spending about 60% of their annual income on the payment of rental housing. Similarly, for a worker on GLs four to seven to gain access to a one- bedroom flats (room, parlour and kitchen with lavatories), he or she needs about N260, 000 whereas the highest paid worker in this category received N487,426.00 as mean annual salary. Rent paid, therefore, constituted 53.34% of the mean annual salary. Mean annual salaries of workers on GLs 8 and 9 were N606,911.00 and N697,732.00 respectively and to rent 2-bedroom flat, such workers required about N350, 000. Civil servants in the three highest grade levels, namely GLs 15 to 17 appeared to be the only workers that can afford rental prices when juxtaposed with their annual incomes without considerations for other household expenditures. These senior civil servants spent less than one-third of their incomes (23%-30%) on housing.

Table 5:Rental Affordability Assessment of Civil Servants

Grade Level	Mean annual salary (₦)	Mean annual House allowance (₦)	Rental Provision in Salary (%)	Average Rental Value (₦)	% of Rental Value	Housing Type	Affordability Level (+ve or -ve)
1	281,311.00	76,649.00	27.25	178,350	63.39%	Single room self-	-ve
2	288,596.00	78,795.00	27.30	178,350	61.79%	contain apartments.	-ve
3	296,415.00	81,098.00	27.36	178,350	60.1%		-ve
4	299,925.00	82,206.00	27.41	260,000	86.68%	1-bedroom flats	-ve
5	336,386.00	93,589.00	27.82	260,000	77.29%	(room, parlour and	-ve
6	384,760.00	101,424.00	26.36	260,000	67.57%	kitchen with	-ve
7	487,426.00	132,312.00	27.15	260,000	53.34%	lavatories)	-ve
8	606,911.00	169,618.00	27.95	350,000	57.67%	2-bedroom flat.	-ve
9	697,732.00	198,032.00	28.38	350,000	50.16%		-ve
10	819,409.00	224,056.00	27.34	400,000	48.82%	2 or 3 – bedroom	-ve
12	888,029.00	238,795.00	26.89	400,000	45.04%	flats	-ve
13	1,069,216.00	292,569.00	27.36	400,000	37.41%		-ve
14	1,149,251.00	317,579.00	27.63	480,000	41.76%	3 or 4-bedroom flats	-ve
15	1,612,309.00	350,148.00	21.72	480,000	29.77%		+ve
16	2,019,320.00	385,368.00	19.08	480,000	23.77%		+ve
17	2,115,270.00	415,352.00	19.64	480,000	22.69%		+ve

Source: Field Survey (2017)

Rental housing consumed by civil servants was influenced by income (including housing allowance), ego, household size and mode of payment, according to 59.6% respondents. The most common mode of rent payment preferred by house owners popularly known as "landlords" is annual payment. Workers who were coming in as new tenants were expected to pay what is termed "total package" which is usually more than annual rent. The mode of house rent payment was anti-civil servants, as revealed by 61.9% respondents. The inability of tenants to pay promptly may not be unconnected with the high rent demanded on annual basis by private landlords. One of the reasons for existence of tenants' association according to 59.9% respondents was to resist frequent rent increase by house owners. About 64% respondents observed that the reasons for conflict between landlords and tenants include inflation in house rents, tenants not paying their house rent as at when due, lack of or inadequate housing maintenance and lack of cooperation and non-compliance to landlord-tenant agreement. Others were selfishness and greed, "difficult" tenants and landlords and refusal of residential real estate agents to perform their responsibilities. Private landlords and estate agents were in rental housing business only to make profit and received high commission respectively. If investment in rental housing is for profit making alone, then it may be very difficult for most civil servants to afford the fees for rental houses.

6.   Conclusion and Recommendation

Workers on fixed monthly or annual income, most especially civil servants have been finding it difficult to gain access to affordable rental accommodation. No civil servant earned enough housing allowance to pay his or her house rent. While there was significant difference between mean housing allowances and mean annual rents (t=-14.755), there was a very strong positive correlation (r=0.952) between 'mean housing rent' and 'mean housing allowances. House rents paid by civil servants on grade levels 01- 14 were not adjudged to be affordable taking cognizance of their salaries. These categories of workers spent between 37% and 87% of the salaries on rental housing. However, civil servants on grade levels 15 to 17 appeared to be the workers who can afford rental prices. These senior civil servants spent less than one-third of their incomes (23% – 30%) on housing. The growing problems of rental housing affordability among civil servants in Nigeria has brought into focus the need for housing researchers and policy makers to develop a better understanding of the structure, operation and dynamics of urban rental housing market for civil servants.

In order to achieve affordable rental housing among civil servants, there should be a policy shift in respect of the rent provision in the current salary structure. This should be reviewed upward; preferably to be doubled in view of the present economic reality. Majority of the civil servants lack the discipline of ensuring that the rent allowances in their salaries are actually saved and used for rent payment. Hence, government should ensure that all civil servants open compulsory rent accounts in some designated banks where rent (housing) allowances will be deposited by the government and withdrawals can only be made once a year by civil servants. Even, if the amount does not totally cater for their rent, at least it will reduce the propensity to default in rent payment.

Civil servants depend on their salaries (housing allowances included) for the payment of house rent. They did not have access to housing loan because most of them lack the necessary collateral requirements. Also, for those civil servants than can afford to secure loan, the repayment terms are always short (1-2 years). Hence, government should create a housing finance pool from where they should give a maximum of N100,000 loans to assist the middle- and lower-income classes of civil servants on request. Such loan should be deducted from their salaries over a period of one year.

Policy that would regulate rental prices of housing in the state should be initiated and enforced for the provision of affordable housing for all civil servants. There should be an enabling policy that the favour participation of private housing developers in rental housing provision. These key actors in housing production should be encourage to build, operate and transfer adequate, safe and secured houses to civil servants at affordable prices. Housing needs to be adequate, safe and secured and majority of people need houses that is sustainable ((Baqutayan *et al*, 2015)

Civil servants should not consume more than expected standard of housing in order to be able to consume more than the minimum standards of non-housing consumption. If they decide to consume a less quality housing which is common in the periphery, the eventual cost will still be high considering the cost of commuting. Households should seek other sources of income by allowing their spouses to work. Also, they should be encouraged to form small households. The larger the household size, the more housing expenditure affects other aspects of their livelihood because household size goes a long way in determining housing affordability.

Housing maintenance cost also contributed to the high rental prices. Repairs were done by the tenants including new occupants. New tenants incurred additional expenses in putting the rental apartment into conditions fit for habitation because in spite of the high rent, the landlords claimed occupants are responsible for all repairs. Government should, as a matter of priority, establish a department in the Ministry of Housing that will look into the habitability status of all rental housing units on an annual basis. As a matter of priority, government should enact a policy that will compel all landlords to put their rental housing units in good shape with all necessary facilities and utility services. This will invariably favour renters as the additional cost of putting rental accommodation into good condition before moving in will be highly reduced. Also, there is the need to establish tenant right groups as pressure groups that will liaise with the government to fight for tenants' right as well as monitor the arbitrary rent increases and the habitability status of rental apartments at the request of aggrieved tenants. The state, private sector and civil society should begin to have interest in rental housing provision as this will go a long way in improving the productivity of civil servants and other renters.

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