

Analysis of type of venues and average income in London

Capstone Project

1. Introduction

Income inequality has increased in the last decades, becoming a major economic and social issue in both developed and developing countries. According to [OECD](#) data, the average income of the richest 10% of the population is about nine times that of the poorest 10% across OECD countries, up from seven times 25 years ago.

Income inequality is a significant problem in the United Kingdom (UK). The UK is the fifth most unequal developed country and the fourth most unequal in Europe. In 2018, households in the bottom 20% of the population had an average income of £12,798, whilst the average income of the top 20% was more than five times higher (£69,126) ([The Equality Trust, 2019](#)).

Within the UK, London is one of the richest regions; however deep inequalities are observed across its inhabitants. The differences in income are much greater in London than in the rest of the UK. The richest ten per cent has around 9.7 times the income of the lowest income households ([Mayor of London, 2020](#)).

Against this background this project aims to explore whether income inequalities follow a spatial distribution and whether the type of venues vary according to the average income of London's boroughs.

2. Methodology

2.1 Data

The data used in this project comes from two main sources: Foursquare and the UK Office for National Statistics. Venue data of London's boroughs is obtained through Places API – [Foursquare](#). Annual income data is obtained from the 'income estimates for small areas, England and Wales' published by [ONS](#).