

Heathrow Mini-Expansion Could Boost Capacity by 10 Million Passengers by 2031

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— Categories: Economics



Heathrow Airport has submitted plans to the Civil Aviation Authority (CAA) to accommodate up to 10 million additional passengers annually by 2031 through modest upgrades to existing terminal facilities, foregoing the need for a new runway, which is not expected before 2035. The proposal, part of the 2027–2031 regulatory period, hinges on increasing per–passenger charges to fund the improvements.

Europe's busiest airport currently operates at its limits, handling approximately 84 million passengers in 2024. By reworking terminal layouts, removing underused back-office space, and expanding retail and lounge areas, Heathrow forecasts a 12 per cent rise in capacity. The airport is seeking to increase its average charge per passenger from £28.46 to £33.26 to cover the cost of enhancements.

Airlines are expected to oppose the fee rise, maintaining that Heathrow remains among the world's most expensive airports. Companies such as IAG and Virgin Atlantic argue the proposed charges are excessive and risk burdening airlines and, ultimately, travellers.

Nevertheless, Heathrow officials underscore potential benefits, such as reduced security queues, higher on-time departure rates, and improved services, measures intended to justify the investment. Some critics also point out that terminal investment can alleviate capacity constraints in advance of longer-term runway expansion.

Heathrow's plan aligns with a staged approach that places efficiency and passenger experience at the centre, rather than large-scale infrastructure. That said, the new runway project remains a future consideration to be pursued in parallel, subject to separate approval and financing.

From a centre-right perspective, this package represents sensible stewardship of existing infrastructure rather than extravagant public spending on greenfield projects. Funding via user charges preserves taxpayer cash, reinforces the airport's self-funding model and incentivises performance improvements through market discipline.

The CAA will now scrutinise Heathrow's submission in detail, balancing passenger interests, environmental considerations, and airport finances. Observers note that the success of this initiative depends not just on regulatory approval but on Heathrow delivering promised benefits while restraining charge increases.

If approved, this interim step could offer a significant boost to UK aviation capacity, support jobs, and reinforce London's connectivity, all steps that align with responsible growth and economic resilience.