

Crest Nicholson Strategic Land and Planning

Horsham Local Plan Examination

Hearing Statement (Matter 3: Homes to meet the needs of all the community)

Date of report: April 2026

Response ID: 1197217

PREPARED FOR



savills

Matter 3: Homes to meet the needs of all the community

- 1.1 This Hearing Statement is submitted by Savills Planning on behalf of Crest Nicholson Strategic Land and Planning (herein after 'Crest') in relation to its land interest at Land West of Kilnwood Vale in response Matter 2 (Housing Supply and Headroom). The statement expands upon Crest's Regulation 19 representations and Hearing Statements submitted for the Examination in Public Hearings in December 2024.
- 1.2 In accordance with the Inspectors Guidance Notes (IDJB02) this Statement responds to the matters identified in the Draft Hearings Agenda (IDJB03 v2). Each issue is covered in turn below.

a. The identified level of affordable housing need

- 1.3 Crest do not wish to provide comment on Matter 3, Issue (a)

b. Whether the proportion of affordable housing sought from each site is appropriate

- 1.4 The Council's Viability Study finds that non-strategic greenfield sites can viably support 45% affordable housing, index-linked CIL and all policy costs.
- 1.5 Crest **strongly objects** to the proposed level of affordable housing, on the following grounds.

Deliverability Pressures

- 1.6 Crest contest that a 45% affordable housing requirement for non-strategic sites risks sites becoming unviable once the cumulative policy requirements are applied including CIL, Section 106 and BNG as well as a constantly evolving suite of sustainability requirements – and this does not take account of any abnormal site costs.

Soundness implications

- ❖ Effective – A policy that prevents sites from coming forward undermines delivery of both market and affordable housing.
- ❖ Consistent with National Policy – The NPPF requires plans to ensure that policy requirements do not undermine development viability.

Risk of Reduction in Delivery

- 1.7 A 45% requirement will reduce deliverability and therefore reduce the overall number of sites coming forward for development and therefore, overall housing delivery. A lower but more consistently achievable requirement would achieve a greater number of affordable homes across the plan period as more sites will be able to come forward.

Soundness implications:

- ❖ Effective – Policies should maximise delivery outcomes; a requirement that reduces overall output fails this test.
- ❖ Justified – If a lower requirement would deliver more homes overall, a higher target is not the most reasonable strategy.

Viability Evidence

- 1.8 The 45% affordable housing requirement for non-strategic sites is based on evidence which is now 3 years old and does not take into account market volatility in this timeframe, including fluctuations in

build costs, interest rates and sales values

- 1.9 It cannot be overlooked that there has been significant geopolitical and economic volatility since 2023, alongside the introduction of new and increasingly complex regulatory requirements affecting residential development.
- 1.10 The Department for Business and Trade's accredited official statistics on construction materials (December 2025) indicate that the material price index for "all work" rose by 3.0% in November 2025 compared with November 2024. The data also highlights that both housebuilding and commercial development activity remain below previous levels, reflecting persistently high construction and financing costs¹.
- 1.11 The conflict in Iran has intensified pressures on construction viability by driving up oil prices and disrupting global supply chains. This has increased the cost of energy-intensive materials and transportation, while also causing delays and uncertainty in material procurement, further undermining the assumptions of the 2023 viability evidence.
- 1.12 Crest considers that, given the significant changes in geopolitics and their impact on the construction sector, the Viability Study is now out of date and cannot be relied upon to support the assertion that 45% affordable housing mix can be viably supported on non-strategic green field sites.

Soundness implications:

- ❖ Consistent with National Policy – National policy expects plans to respond to changing market conditions and viability.
- ❖ Effective – Inflexible policies are less resilient over long plan periods.

Site Release

- 1.13 Landowners may be unwilling to release land at values compatible with a 45% affordable housing requirements where historic policy expectations were lower which could result in delayed site release/availability of non-strategic sites, which are fundamental to achieving a rolling 5 year housing land supply.

Soundness implications:

- ❖ Effective – If land is not released, housing delivery will not occur regardless of policy intent.
- ❖ Positively Prepared – Plans must reflect realistic market behaviour, not assumed compliance.

Comparables

- 1.14 Crawley apply a 40% and Mid-Sussex a 30% requirement respectively. Both of whom sit within the same Housing Market Area.

Soundness implications:

- ❖ Justified – Significant divergence from neighboring authorities requires strong and specific justification.
- ❖ Consistent with National Policy – Strategic, market-aware plan-making is encouraged across housing market areas.

c. Whether the mix of homes is appropriate

- 1.15 Crest do not wish to provide comment on Matter 3, Issue (c)

¹<https://www.gov.uk/government/statistics/building-materials-and-components-statistics-december-2025/construction-building-materials-commentary-december-2025>

d. The plan's approach towards self-build and custom housing

1.16 Crest do not wish to provide comment on Matter 3, Issue (d)

e. The plan's approach towards homes for older people

1.17 Crest do not wish to provide comment on Matter 3, Issue (e)

f. Accessibility policy

1.18 Crest do not wish to provide comment on Matter 3, Issue (f)

g. Provision for gypsies, travellers and travelling show people

1.19 Crest do not wish to provide comment on Matter 3, Issue (g)

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