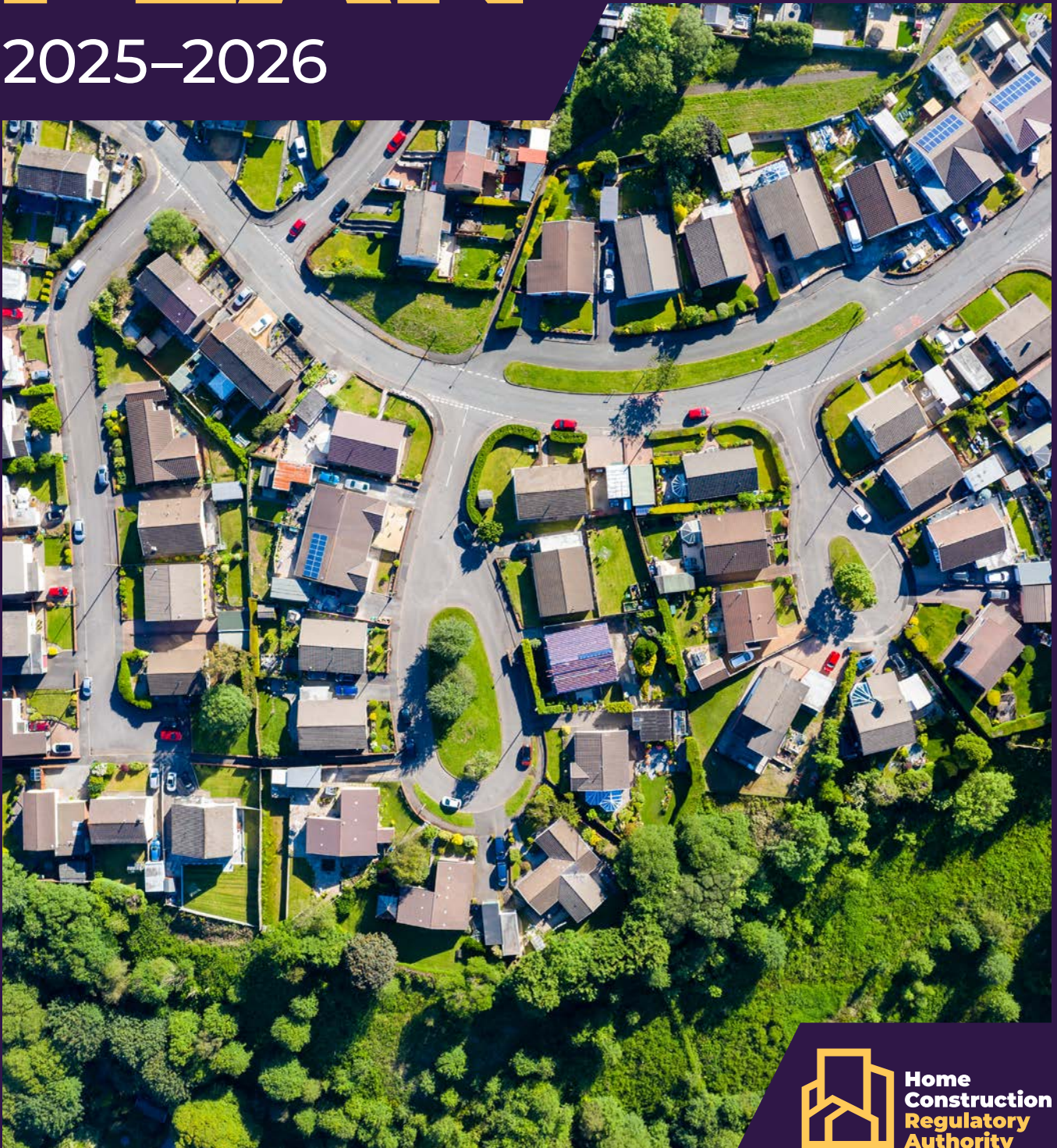


BUSINESS PLAN

2025–2026



**Home
Construction
Regulatory
Authority**

THE HCRA: **ENSURING CONFIDENCE IN ONTARIO HOMEBUILDING**

The **Home Construction Regulatory Authority (HCRA)** regulates and licenses individuals and companies that build and sell new homes in Ontario. By holding licensed builders to professional standards, the HCRA promotes the protection of the public interest and maintains a fair, safe, and informed marketplace in the homebuilding industry in Ontario.

In addition to licensing, the HCRA provides educational resources to guide consumers through the home-buying journey and instill confidence in one of the biggest financial decisions of their lives — a new home. We also offer tools, such as the **Ontario Builder Directory**, the authoritative source of background information about new home builders and sellers across the province, to help consumers make informed decisions.

The HCRA is a not-for-profit corporation designated by the provincial government to administer and enforce the **New Home Construction Licensing Act, 2017** which regulates builders and sellers of new homes and increases protection for consumers.

This Business Plan is the first annual operational plan under the HCRA's new five-year Strategic Plan for 2025–2030. It outlines the actions and directions for 2025–26, designed to align with and achieve the objectives of the Strategic Plan, with a clear focus on ensuring that all HCRA activities support sound decision-making and positive outcomes.

ABOUT THE HCRA



Vision

Fostering a professional new home building industry that Ontarians can trust.



Service excellence



Respectfulness



Learning & innovating



Continuous improvement



Fairness



Integrity



Diversity & inclusion



Openness & accountability

Mission

A fair, effective, and proactive regulator of new home builders and vendors that supports a positive consumer experience.

In Ontario, there are several administrative authorities under the province's **Consumer Protection** program that promote consumer rights and public safety. The ministry and these administrative authorities enforce consumer protection and public safety laws, across a diverse range of sectors. Since February 1, 2021, the HCRA is responsible for the licensing and regulation of new home builders and sellers in Ontario.

The HCRA is an independent not-for-profit corporation that operates at arm's length from the government. The HCRA's Registrar is solely responsible for making licensing decisions and ensuring regulatory compliance with the Act. The HCRA is committed to building on its work to ensure Ontario continues to have a well-managed and thriving new home sector.

Holding Illegal and Unethical Builders Accountable

In Ontario, anyone building or selling a new home must be licensed by the HCRA — failing to do so is against the law and constitutes illegal building and illegal selling. Tackling this issue is a top priority for the HCRA, as these illegal practices put consumers at risk and create an uneven playing field within the homebuilding industry.

To deter illegal building, the HCRA has expanded its Inspections and Investigations team to promote compliance and, when necessary, enforce the law through measures such as prosecution, compliance orders, and monetary penalties.

In addition, the HCRA enforces a Code of Ethics for builders and sellers which sets out clear standards for what is considered ethical and acceptable conduct for their profession, and specific principles for how they are expected to behave and operate. It's also a roadmap for consumers to understand the professional standards licensed builders must meet.

If consumers believe a builder has fallen short of expectations, the HCRA provides a transparent complaints system for voicing concerns, protecting consumers and informing future improvements to competency and conduct standards.

It's important to emphasize that the homebuilding sector is well-regulated, and most builders adhere to the rules and maintain high professional standards. The HCRA remains proactive in cracking down on the few bad actors who put consumers at risk and undermine the integrity of the homebuilding sector.



CORE SERVICES TO SUPPORT CONSUMER PROTECTION

Licensing

Set standards of professional qualifications and conduct for current and potential licensees; only qualified applicants who have demonstrated they met the required standards are granted an HCRA licence; all licensees are also required to renew their licence on an annual basis.

Technical Research and Education

In partnership with a broad cross-section of stakeholders, research and develop educational resources that inform builders about emerging trends and best practices in home construction.

Consumer Education

In cooperation with consumers and consumer protection organizations, develop, publicize, and promote educational resources that support consumer protection and awareness regarding home buying and home ownership; manage the Ontario Builder Directory, a searchable database with information about each of Ontario's licensed builders and newly built homes enrolled by builders in the warranty program administered by Tarion.

Complaints and Professional Conduct

Address inquiries, concerns and complaints about builders' conduct through a fair, thorough, evidence-based process, including possible inspections, referral to the discipline process and taking corrective action, including reminding licensees of their professional conduct, or licensing actions.

Compliance and Enforcement

Use the appropriate legal and regulatory tools to investigate, promote compliance and, if necessary, follow up with enforcement measures, including taking action against illegal building and selling in Ontario's new home building sector.



STRUCTURE AND GOVERNANCE: HOW THE HCRA OPERATES



The HCRA is governed by a Board of Directors operating within an administrative agreement with the Minister of Public and Business Service Delivery and Procurement. The Board of Directors is accountable to the Minister – through the Board Chair – for the performance of the organization.

The HCRA is committed to transparency and accountability in fulfilling its mandate and its obligations under the administrative agreement.

The HCRA's Board of Directors is responsible for providing strategic leadership and oversight of the operations of the HCRA. Directors bring a wide range of expertise in areas of established competency criteria to ensure that the Board has a strong blend of skills, experience and qualifications.

The nine-person Board is comprised of six elected members and three members appointed by the Minister of Public and Business Service Delivery and Procurement. A list of current Board members and their biographies can be found on the [HCRA website](#).

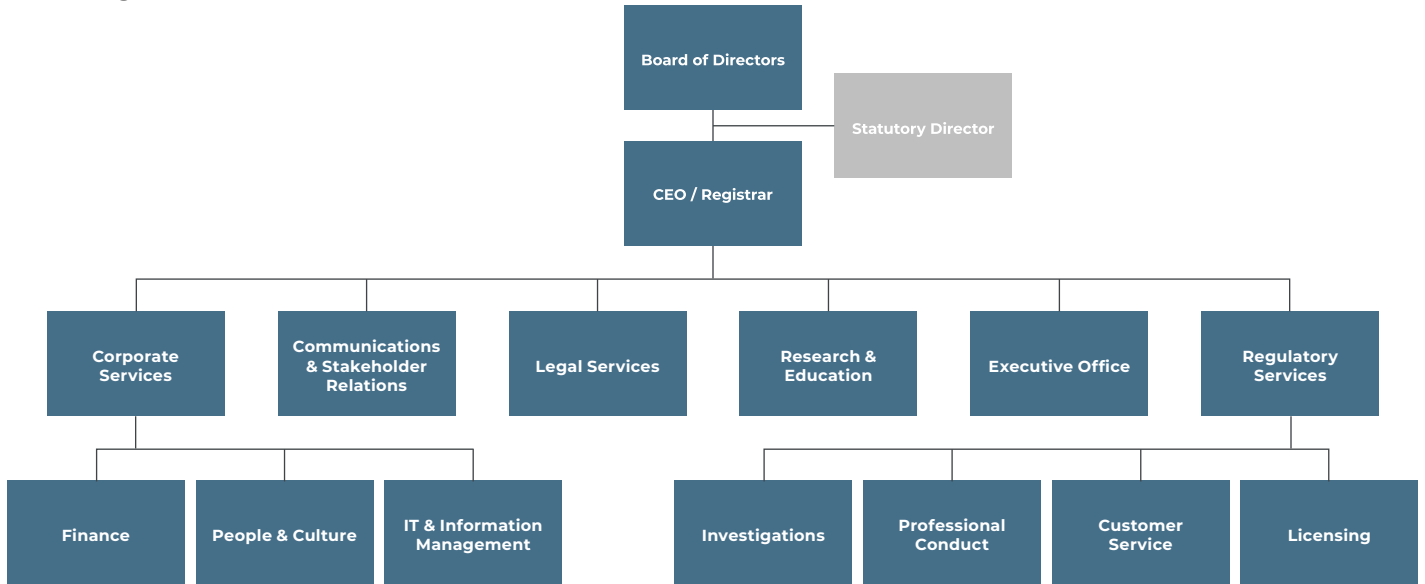
Corporate Policies

Corporate policies are used to guide organizational decision-making. The following policies are Board-approved and are required to be publicly available as set out in the administrative agreement between the HCRA and the Minister of Public and Business Service Delivery and Procurement:

- [Complaints About the HCRA Policy](#)
- [Expense Policy](#)
- [Procurement Policy](#)

Organizational Structure

The HCRA operates using a hybrid model, with staff working remotely and in person to promote collaboration and teamwork. HCRA staff make up a high-performing workforce with the technical and professional skills needed to fulfill its mandate while upholding organizational values. This allows the HCRA to deliver its regulatory mandate under the *New Home Construction Licensing Act, 2017*, consistent with the best practices of a modern regulator.



Our Commitment to Service Excellence

Our dedicated Customer Service team provides daily support, addressing all inquiries from consumers, licensees and general members of the public, ensuring that every customer interaction is handled with professionalism and in a timely manner.

French Language Services

The HCRA is committed to providing French language services when requested. Calls and inquiries to the HCRA’s Customer Service team, licensing applications, and complaints can be addressed in French.

Accessibility

The HCRA is committed to ensuring that all services are accessible in accordance with the *Accessibility for Ontarians with Disabilities Act, 2005* and any other relevant accessibility requirements. The HCRA’s services are available online to the public and licensees and are also offered in accessible formats upon request. The HCRA is respectful of people with different abilities and is committed to removing barriers wherever possible.

AWARENESS AND STAKEHOLDER OUTREACH

The HCRA is committed to strengthening its engagement with stakeholders, including consumers, the homebuilding sector, and the broader regulatory community. This includes implementing targeted awareness and engagement initiatives to further promote the HCRA, its role, mandate, and services.

Results from the HCRA's [inaugural satisfaction survey](#) highlight the need to build greater awareness among consumers, consumer-centric stakeholders and professionals in the new home building sector. With only one in five new homebuyers aware of the HCRA, we continue to enhance our digital and stakeholder outreach to improve public awareness and promote consumer protection and education.

Consumers are key stakeholders for the HCRA, and we are committed to providing them with the [information and resources](#) needed to make informed decisions. This includes understanding what to expect from their builder, how to stay protected, and what steps to take if they have a concern. We also aim to ensure they have confidence in Ontario's homebuilding industry, which is continuously evolving.

Additionally, the HCRA has advanced its [Research & Education Program](#) to better prepare and educate consumers with helpful resources on the home buying and homeownership journey. The program also aims to deliver helpful resources for builders on new construction trends and education on the changes to the Ontario Building Code.

The HCRA recognizes that consumer protection is a shared responsibility, and that home inspectors, building departments, real estate agents, and other professionals all play a critical role. We are committed to collaborating with these professionals to deliver the best outcomes for new home buyers across Ontario.

Implementing the HCRA's 2025–2030 Strategic Plan

The HCRA has developed a five-year strategic plan, serving as a blueprint for all aspects of the organization. Demonstrating its commitment to transparency and accountability, the HCRA publishes its Business Plan and Annual Report annually to track progress toward strategic objectives.

The Business Plan outlines the HCRA's priority activities for the upcoming fiscal year, while the Annual Report highlights the HCRA's achievements in meeting the objectives set out in the associated Business Plan.

In the year ahead, the HCRA's goals and strategic objectives come from the 2025–2030 Strategic Plan, while the priority activities for 2025–2026 detail how the organization intends to achieve these objectives.

2025–2026 STRATEGIES AND ACTIVITIES

GOAL 1: The HCRA will support an informed and fair new home construction marketplace that protects consumers and enhances public confidence.

Strategic Objective

Proactively build and measure awareness of the HCRA, its mandate, and consumer protections among key stakeholders, including consumers, licensees, and other regulatory bodies.

Priority Activities for 2025–26

- Measure awareness of the HCRA and its mandate via in-house and third-party surveys of homebuyers, licensees and key stakeholders.
- Develop awareness campaigns through digital marketing, social media and other engagement initiatives throughout the year to further promote the HCRA and increase engagement with our licensees and consumers.
- Increase stakeholder engagement and events with consumers, and other professionals working in the new home sector such as, real estate professionals, lawyers and building officials.

Strategic Objective

Enhance public awareness and understanding of HCRA's consumer-focused actions and decisions by expanding the HCRA's corporate communications strategy.

Priority Activities for 2025–26

- Enhance media relations by issuing press releases to amplify HCRA's consumer protection actions and decisions.
- Continue to enhance HCRA website content, optimizing its visibility to consumers and ensuring that the public has ease of access to regulatory information.
- Continue to create engaging and informative content via integrated communication channels to highlight the important regulatory news and updates.

Strategic Objective

Conduct research to identify consumer needs and challenges and develop targeted educational resources and engagement opportunities to better support their homebuying and home ownership journey.

Priority Activities for 2025–26

- Continue to build out the [Research & Education Program](#), with a focus on partner engagement, identifying the priority maintenance and consumer protection topics, and creating educational resources for consumers.
- Review impact of Research and Education initiatives.
- Enhance the consumer section of the [Resource Hub](#), ensuring that plain language on all materials for a variety of audiences; and exploring multilingual lens.
- Develop a robust outreach strategy to promote the upcoming programs and resources created through the Research and Education Program.
- Identify and launch a pilot consumer behaviour research initiative.

Strategic Objective

Provide added value and support good builders, by expanding the Research & Education Program, including developing new resources on cost-effective building techniques, construction best practices and regulatory insights.

Priority Activities for 2025–26

- Continue to build out the Research & Education Program, with a focus on stakeholder collaborations, identifying priority technical topics, and creating educational resources for licensees.
- Enhance the licensee section of the Resource Hub, to reflect identified priority topics and to increase their access to existing training offerings from HCRA's Building Research Collaboration Council partners.
- Promote research on cost-effective construction techniques.
- Review impact of Research & Education initiatives.
- Hold a training session on the 2024 Ontario Building Code that promotes consistency of Code application between building officials and licensees.
- Explore opportunities with industry stakeholders or other regulatory agencies, on a construction costing project that will promote cost-effective construction techniques.

GOAL 2: The HCRA will be a leader in the delivery of innovative regulatory programs, leveraging data to enhance risk-based and evidence-based decision-making.

Strategic Objective

Develop and align digital strategies, including AI and analytics, to support our core regulatory functions and inform evidence-based decisions.

Priority Activities for 2025–26

- Develop and execute IT priorities including an AI roadmap by actively governing and implementing the IT Plan to drive operational success.
- Continue to enhance the Ontario Builder Directory, including processes, content, and usability, to provide accurate, reliable and relevant information to the public.

Strategic Objective

Evaluate regulatory actions, processes, and outcomes to continually enhance fair, transparent, consistent, objective decision making that serves consumer protection.

Priority Activities for 2025–26

- Take action on complaints in a timely and impactful manner, always prioritizing complaints that pose the greatest potential risk to consumers.
- Review the regulatory risk frameworks and associated Quality Assurance processes to ensure they remain effective and responsive.
- Review forms and templates to identify and apply a Diversity, Equity and Inclusion lens to ensure more inclusive operations.

Strategic Objective

Practice a culture of continuous improvement across the HCRA.

Priority Activities for 2025–26

- Continue working with the government to offer policy solutions that strengthen the legislative and regulatory framework.
- Develop a roadmap to identify and address recommendations for continuous improvement.

Strategic Objective

Deter illegal building by advancing the HCRA's strategy and leveraging impactful enforcement outcomes.

Priority Activities for 2025–26

- Continue to support the Ministry in its consideration of the HCRA's Illegal Building strategy and prepare for its implementation, should the government wish to proceed.

GOAL 3: The HCRA will be a financially sustainable organization, optimizing resources for long-term success.

Strategic Objective

Prioritize sound financial stewardship in operational decisions and investments, including the development of a sustainable revenue strategy that supports critical regulatory activity throughout changing market conditions.

Priority Activities for 2025–26

- Enhance reserve fund strategy oversight by regular reserve monitoring and continuous reporting to the CEO & Registrar; Finance, Audit and Risk Committee; and the Board.
- Refine the forecasting model to deliver timely and accurate financial forecasts focusing on trends, variances, and insights to support sustainable financial decisions.

Strategic Objective

Prioritize staff development to ensure knowledge retention and foster a thriving culture.

Priority Activities for 2025–26

- Enhance staff competency and adaptability in regulatory services through accessible, structured training resources.
- Strengthen future leadership readiness through targeted development plans for senior roles and a unified development framework.
- Develop a structured and impactful placement program through a pilot process to foster future talent and provide valuable learning experiences for students.

Strategic Objective

Enhance effective and efficient technology solutions to improve operations.

Priority Activities for 2025–26

- Assess current IT infrastructure and organizational expertise supporting data analysis and plan for future.

PERFORMANCE MEASURES

The HCRA sets performance measures aligned with the strategic priorities and objectives of the organization. Performance measures range from the individual performance expectations of each team member to organization-wide Key Performance Indicators that the HCRA reports in its Annual Report.

In 2025-2026, the HCRA has established performance targets and outcomes that the general public and licensees can expect under normal circumstances. The HCRA endeavours to meet or exceed these targets.

Performance Measure	Performance Target or Outcome
Contacting the HCRA by phone The HCRA's customer service team receives hundreds of telephone calls every day from consumers, licensees, and the general public.	Average wait time to respond to incoming phone calls: 2 minutes
Licensing application process The HCRA's licensing team receives thousands of applications on a yearly basis. The processing time is dependent on the type and complexity of the application. Assessment factors include competency, financial responsibility and conduct information, and other obligations. The HCRA's performance targets are based on receipt of a complete application. An incomplete application will delay the assessment and approval process.	Processing time for a new licence application: 8 weeks for a complete application Processing time for a renewal application: 4 weeks for a complete application
New measure Complaints The HCRA reviews and assesses every complaint it receives using a risk-based framework – with high-risk matters receiving urgent attention. There are a variety of possible outcomes to close each matter, including warning letters, additional education requirements, administrative penalties, suspension or revocation of a licence, or – in the case of illegal building matters – prosecution.	Percentage of complaints resolved within one year Percentage of high-risk complaints resolved within one year The HCRA will collect baseline data to report in 2025-2026 and to establish performance targets in 2026-2027.

Performance Measure

Performance Target or Outcome

Court and Tribunal Appearances

The HCRA appears regularly before three judicial bodies: the Licence Appeal Tribunal to respond to appeals of the HCRA's regulatory decisions, the Discipline Committee to prosecute contraventions of the Code of Ethics, and the Ontario Provincial Court to prosecute illegal builders. This metric is designed to ensure that the HCRA is making good decisions and applying its resources well.

Percentage of successful prosecutions: 90%

Percentage of successful appearances at Licence Appeal Tribunal: 90%

New measure

Percentage of successful prosecutions at Discipline Committee

Percentage of successful prosecutions at Discipline Committee

The HCRA will collect baseline data to report in 2025-2026 and to establish performance targets in 2026-2027.

Visits to the Ontario Builder Directory

The Ontario Builder Directory is the authoritative source of background information about new home builders and sellers across the province.

Profile searches initiated on licensees or warranted homes show how visitors engage with the Ontario Builder Directory.

Average level of web traffic to the Ontario Builder Directory: 29,000 profile searches per month

3,000 warranty searches per month

Consumer awareness and satisfaction

Number of consumers who are aware of the HCRA: 1 in 3

Percentage of webinar/event attendees who are satisfied with the content of the event: 75%

Licensee satisfaction

Percentage of licensees who are satisfied with their interactions with the HCRA's customer service team: 75%

Percentage of licensees who are satisfied with the Builder Portal: 75%

Percentage of technical education event/webinar attendees who are satisfied with the content of the event: 75%

In developing the 2025-2026 Business Plan, the HCRA assessed the financial, human, and other resources required to successfully deliver on these strategic objectives.

Financial Resources

The HCRA's operations are funded by licensing and regulatory oversight fees paid by new home builders and sellers.

The HCRA's annual budget is designed so that the organization can deliver its services in an efficient, lean manner and demonstrate that the benefits of the *New Home Construction Licensing Act, 2017* regulatory requirements justify the resulting costs.

Three-Year Financial Outlook 2026–2028

	FY 2026 (Budget) \$	FY 2027 (Outlook) \$	FY 2028 (Outlook) \$
Revenues			
Licensing Fees	4,532,200	4,622,844	4,715,301
Per Unit Fee	6,525,000	7,250,000	7,975,000
Other Income	912,000	930,240	948,845
Total Revenues	11,969,200	12,803,084	13,639,146
Expenditures			
Human Resources/Board	9,411,415	9,599,643	9,791,636
Operating	4,578,006	4,532,226	4,441,581
Ministry Oversight	473,753	505,687	505,687
Total Expenditures	14,463,174	14,637,556	14,738,904
Net Surplus / (Deficit) for the period	(2,493,974)	(1,834,472)	(1,099,758)

Human Resources

The HCRA operates using a hybrid model that emphasizes high performance, collaboration, and teamwork. Having reached a stable complement of staffing in alignment with its strategic objectives and regulatory functions, the HCRA now focuses on maintaining a high-performing workforce that upholds its values and fulfills its mandate effectively.

With staffing levels optimized, the HCRA will prioritize cross-training initiatives to build an agile workforce capable of adapting to shifting priorities and supporting various operational needs. This approach enhances flexibility, fosters continuous improvement, and ensures operational efficiency while maintaining a strong commitment to professional development and teamwork.



The HCRA has an ongoing enterprise risk management plan to identify, assess and manage risks and seize opportunities for the organization in service of its mandate and objectives. The plan includes reporting higher risks to the Board of Directors, along with regular review by the Board’s Finance, Audit, and Risk Committee, and the HCRA Leadership Team to identify new risks and assess current ones.

The plan is designed to identify and create mitigation plans for each risk. This includes determination of the likelihood of the risk occurring and its potential impact. In the event of an emergency, the HCRA will implement its plans to ensure that the organization continues to deliver critical services, re-assigning staff to support critical functions as necessary. They also ensure regular communication with the HCRA Board and the ministry responsible for oversight of the HCRA.

The table below highlights the categories of risk that the HCRA monitors and mitigates in order to achieve its core strategic objectives. For 2025-26, some of the key risks and mitigations, including preventive measures and controls, are:

Risk Category	Key risk mitigations
<p>Financial Risks impacting the HCRA’s financial viability</p>	<ul style="list-style-type: none"> Budget forecasting using conservative assumptions. Maintenance of reserve funds.
<p>Legal Risks resulting in non-compliance with applicable laws, regulations, contracts, policies including HCRA’s administrative agreement with the Minister of Public and Business Service Delivery and Procurement</p>	<ul style="list-style-type: none"> Quarterly reporting on key performance measures to the Board. Review of key HCRA-Tarion agreements.
<p>Regulatory Risks related to complaints, enforcement, and compliance programs</p>	<ul style="list-style-type: none"> Continual monitoring of high-risk matters requiring Registrar action. Review and refine risk assessment frameworks to ensure consistent and effective application. Continue to support the government in developing strategies to tackle illegal building. Regular consultations with legal counsel on all regulatory matters related to enforcement.
<p>Reputational Risks related to awareness of HCRA’s mandate and the impression of the organization as a trusted regulatory body</p>	<ul style="list-style-type: none"> Targeted outreach and engagement with consumers, real estate and legal professionals, building officials, and industry associations. Regular communications with the public, media and stakeholders through HCRA’s e-newsletters, blog, and social media platforms. Collaborations with other Administrative Authorities to discuss and share best practices on consumer outreach, engagement, and education. Share detailed information about regulatory actions on HCRA’s website and the Ontario Builder Directory.
<p>Business Risks impacting operations and systems</p>	<ul style="list-style-type: none"> Regular maintenance of operational systems to improve service delivery to the public and licensees. Ongoing Builder Directory enhancements to ensure reliable information for the public. Monitor exposure and ongoing staff training to prevent cyber security threats and attacks.



**Home
Construction
Regulatory
Authority**

hcraontario.ca