

BUSINESS PLAN

2026-2027



Home
Construction
Regulatory
Authority

PROTECTING ONTARIO HOMEBUYERS

The **Home Construction Regulatory Authority (HCRA)** is a not-for-profit corporation that was designated by the Government of Ontario in February 2021 to administer and enforce the *New Home Construction Licensing Act, 2017*. As an administrative authority under the Ministry of Public and Business Service Delivery and Procurement (the ministry), the HCRA operates independently of government and industry, with a core mandate to protect Ontario homebuyers. The HCRA advances consumer protection by safeguarding homebuyers through effective oversight of new home builders and sellers, ensuring they meet high professional standards of competence and integrity, while fostering a well-regulated and thriving new home sector.

The HCRA licenses and regulates individuals and companies that build and sell new homes in Ontario. In addition to licensing, the HCRA upholds professional standards of competence and conduct for builders and sellers, providing homebuyers with confidence when making one of the largest purchases of their lives — a new home.

To protect consumers throughout the homebuying journey, the HCRA also offers educational resources and decision-making tools, including the **Ontario Builder Directory**, the authoritative source of information on 7,000 new home builders and sellers across the province. The Builder Directory helps new home buyers verify builder credentials, review compliance history, and make informed decisions with confidence.

The HCRA also administers a fair and transparent complaints process, enabling consumers to raise concerns, enhancing protection, and informing continuous improvements in the homebuilding sector.



Vision

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

Mission

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

Values



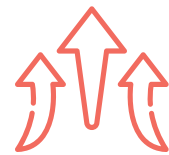
Service excellence



Respectfulness



Learning & innovating



Continuous improvement



Fairness



Integrity



Diversity & inclusion



Accountability

BUILDING THE FUTURE: SECTOR OUTLOOK & STAKEHOLDER COLLABORATION

Ontario's new homes sector remains active and resilient, with more than 7,000 licensed builders and sellers operating across the province. While the number of licensees has remained relatively stable in recent years, the sector has experienced a decline in new home enrolments as affordability challenges, construction costs, and broader economic conditions continue to influence activity levels.

These dynamics reinforce the importance of strong consumer protection, effective regulatory oversight, and close collaboration across the homebuilding sector. Sustaining confidence in the marketplace requires not only vigilant compliance and enforcement—particularly against unlicensed building and selling—but also proactive engagement with the stakeholders in the homebuilding sector, working together to help uphold public trust.

The HCRA continues to fulfill its consumer protection mandate by assessing licensing and builder qualifications, addressing issues and concerns raised within the sector, and ensuring a fair and transparent marketplace. At the same time, the HCRA works in close alignment with the Ministry of Public and Business Service Delivery and Procurement, which provides the legislative, policy and governance framework for Ontario's homebuilding regulatory structure. The HCRA also collaborates with other regulators, professionals, and entities involved in Ontario's housing sector, to ensure that consumer protection efforts are complementary and effective.

A key part of this collaborative approach includes the HCRA's own Advisory Councils—the Consumer Advisory Council and the Industry Advisory Council—which provide valuable perspectives on trends, challenges, and opportunities within the sector. Their input helps ensure that HCRA decisions and initiatives remain responsive to both consumer needs and industry realities.

In parallel with our regulatory efforts, the HCRA is committed to consumer and stakeholder education. Through webinars, trade shows, and events, the HCRA continues to build awareness among homebuyers and consumer-focused professionals—supporting informed decision-making, promoting accountability and transparency across the sector.

Looking ahead, the HCRA remains focused on continuous improvement, modernization, and leveraging technology to support decision-making. These initiatives aim to streamline operations, enhance service delivery, and strengthen transparency—ensuring Ontario's new homes sector remains well-regulated.

CORE SERVICES TO SUPPORT CONSUMER PROTECTION

Licensing

Set standards of professional qualifications and conduct; processes applications and renewals for licences to build and sell new homes; manages the Builder Portal, an online resource used for licensing applications and renewals.

Consumer Education

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

Compliance and Enforcement

Use the appropriate legal and regulatory tools to investigate illegal activity complaints, promote compliance and, where necessary, take enforcement measures, including prosecution, to curb illegal building and selling in Ontario's new home building sector.

Complaints and Professional Conduct

Address inquiries, concerns, and complaints about licensee conduct through a fair, thorough, evidence-based process, including possible inspections, referral to the discipline process and taking corrective action or licensing actions.

The HCRA administers a fair, transparent, and risk-based complaints process to protect consumers and maintain confidence in Ontario's new home construction sector. Complaints may be submitted regarding the conduct, competency, or compliance of licensed builders and sellers, as well as illegal building or selling, and are assessed on their individual merits to determine whether they fall within the HCRA's jurisdiction. The HCRA prioritizes matters based on the potential risk to consumers. Licensees are notified of accepted complaints and provided an opportunity to respond. The Registrar through the Professional Conduct team oversees compliance and determines appropriate regulatory outcomes, which may range from no further action to a warning, remedial measures, licence conditions, referral to the Discipline Committee, administrative penalties, or licence suspension, revocation, or refusal to renew.



STRUCTURE AND GOVERNANCE



The HCRA is governed by a Board of Directors under an administrative agreement with the Minister of Public and Business Service Delivery and Procurement. Through the Chair, the Board is accountable to the Minister for the organization’s overall performance.

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

The Board provides strategic leadership and oversight of the HCRA’s operations, ensuring effective direction and governance. Directors bring diverse expertise across established competency areas, providing a strong mix of skills, experience, and qualifications.

The nine-member Board includes six elected Directors and three appointed by the Minister of Public and Business Service Delivery and Procurement. A list of current Board members and their biographies is available on the [HCRA website](#).

Corporate Policies

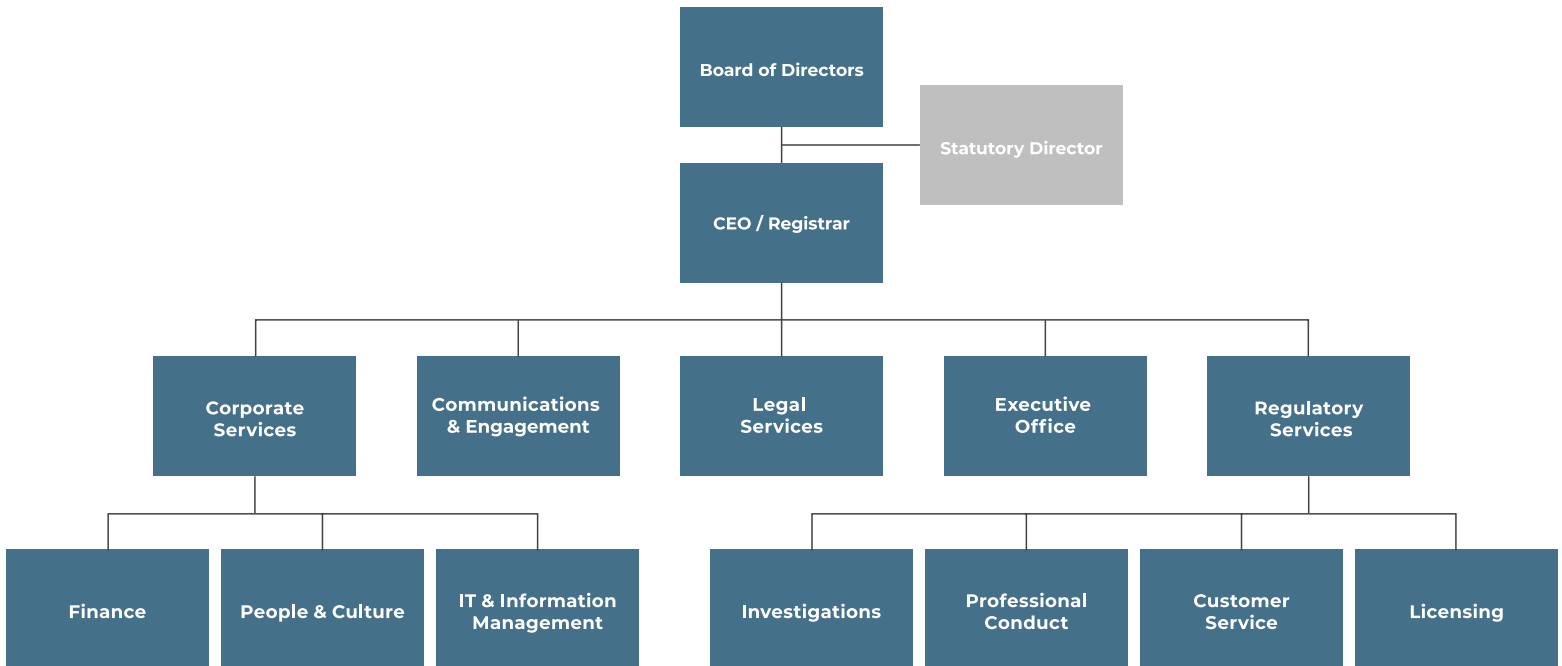
Corporate policies guide the HCRA’s decision-making and operations. The following Board-approved policies are publicly available, as required under the administrative agreement with the Minister of Public and Business Service Delivery and Procurement:

- [Complaints About the HCRA Policy](#)
- [Travel, Meal, and Hospitality Expense Policy](#)
- [Procurement Policy](#)

Organizational Structure

The HCRA operates under a hybrid workforce model, with staff working both remotely and in person to foster collaboration and teamwork. HCRA employees form a high-performing team, bringing the technical and professional expertise required to fulfill the organization’s mandate while upholding its core values.

This model enables the HCRA to deliver on its regulatory responsibilities under the *New Home Construction Licensing Act, 2017*, in alignment with the principles and best practices of a modern regulator.



Our Commitment to Service Excellence

The HCRA’s dedicated Customer Service team provides daily support to consumers, licensees, and members of the public, ensuring that every interaction is professional, timely, and helpful.

French Language Services

The HCRA is committed to providing French language services upon request. Customer inquiries, licensing applications, and complaints can be addressed in French.

Accessibility

The HCRA ensures that all services are accessible in accordance with the *Accessibility for Ontarians with Disabilities Act, 2005*, and other relevant accessibility standards. Services are available online and in accessible formats upon request. The organization actively works to remove barriers to support equitable access for people of all abilities.

Commitment to Continuous Improvement: Addressing the Auditor General of Ontario’s Recommendations

In October 2025, the HCRA welcomed the Auditor General of Ontario’s (OAGO) performance audit and views it as an important opportunity to further strengthen oversight of Ontario’s new home sector.

The HCRA has taken meaningful steps toward addressing these recommendations, underscoring our commitment to strengthening regulatory oversight and enhancing consumer protection. Our early work has focused on strengthening licensee oversight, improving quality assurance, and refining performance measures. A comprehensive implementation plan has been developed to respond to each recommendation, reflecting a strong commitment to transparency and accountability.

This year’s business plan outlines priorities and key activities to address the several recommendations directed to the HCRA, aimed at enhancing oversight of new home builders and sellers.

Progress will be reported through HCRA Annual Reports, shared publicly at our Annual Meeting, and posted on a dedicated webpage on the [HCRA website](#), which will provide ongoing updates on implementation.



2026-2027 STRATEGIES TO SUPPORT CONSUMER PROTECTION



Effective business planning is essential for the HCRA to deliver on its mandate and protect Ontario homebuyers. This Business Plan outlines the organization’s priorities, initiatives, and performance measures for 2026–2027, while the Annual Report highlights the HCRA’s achievements in meeting the objectives set out in the associated Business Plan.

It translates the HCRA’s five-year [Strategic Plan](#) (2025–2030) into actionable steps and incorporates insights from the Ontario Auditor General’s recent performance audit, strengthening oversight of new home builders and sellers across the province. These priorities support strong governance, efficient operations, and meaningful outcomes for both homebuyers and the industry.

The plan provides a clear roadmap for execution, performance measurement, and open communication with homebuyers, licensees, and stakeholders, ensuring that the HCRA continues to deliver value while maintaining trust in the sector.

As part of our commitment to continuous improvement, we regularly review and update our performance measures and targets. These are assessed annually to ensure they remain relevant, ambitious, and aligned with our mandate, enabling us to drive meaningful outcomes and maintain accountability.

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

Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Proactively build and measure awareness of the HCRA, its mandate, and consumer protections among key stakeholders, including consumers, licensees, and other regulatory bodies.</p>	<p>Enhance HCRA awareness through targeted outreach and education, prioritizing real estate agents as key stakeholders in the home-buying journey, and supporting newcomers to Ontario in understanding their rights as purchasers and accessing resources to make informed decisions.</p>	<p>Host two webinars for real estate professionals</p> <p>Host two webinars for new Canadians</p>
Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Enhance public awareness and understanding of HCRA's consumer-focused actions and decisions by expanding the HCRA's corporate communications strategy.</p>	<p>Use data insights to evaluate and improve the HCRA website's visibility and content, ensuring consumers can easily find and understand regulatory information that supports informed decisions.</p>	<p>Increase website visitors by 5%</p>
	<p>Enhance media relations through communication channels to amplify HCRA's consumer protection actions and decisions.</p>	<p>Average views per HCRA news release: 1,200</p>
	<p>Continue to create engaging and informative content via integrated communication channels (website, webinars/ events, eblasts/e-newsletters, social media) to highlight and educate consumers and licensees on important regulatory news and updates.</p>	<p>Publish six blogs</p>

Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Conduct research to identify consumer needs and challenges and develop targeted educational resources and engagement opportunities to better support their homebuying and homeownership journey.</p>	<p>Leverage a cost-effective search engine monitoring system to track and analyze consumer search queries relating to the home buying journey.</p>	<p>Successful implementation of a search engine monitoring system.</p>
	<p>Review consumer search trends with HCRA's Advisory Councils to collaborate on the development of practical resources and engagement opportunities for homebuyers and newcomers.</p>	<p>Develop two consumer resources Host one consumer education event/webinar</p>

STRATEGIC 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	Priority Activities for 2026-27	Measures and Targets
<p>Develop and align digital strategies, including AI and analytics, to support core regulatory functions and inform evidence-based decisions.</p>	<p>Implement AI technologies as identified in the HCRA AI Road Map, to support our core regulatory functions and streamline internal and external business processes.</p>	<p>Successful implementation of at least three AI solutions, that increase productivity and lower overall costs</p>

Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Evaluate regulatory actions, processes, and outcomes to continually enhance fair, transparent, consistent, objective decision-making that serves consumer protection.</p>	<p>Develop an action plan to address the Ontario Auditor General’s recommendations for continuous improvement.</p>	<p>Auditor General’s Recommendations:</p> <ul style="list-style-type: none"> • 50% progress towards operationalizing the Auditor General’s short-term recommendations • 100% completion of those recommendations related to fast-track renewals
	<p>Review the regulatory risk frameworks and associated Quality Assurance processes to ensure they are responsive to the Auditor General’s recommendations and reflect the HCRA’s lived experience.</p>	<p>Explore opportunities to automate HCRA’s risk frameworks and quality assurance processes.</p>
	<p>Update HCRA’s framework and clarify expectations regarding the Code of Ethics.</p>	<p>Publish resources on how Code of Ethics is applied.</p>
	<p>Explore opportunities to streamline all Regulatory Services processes.</p>	<p>Identify at least two new opportunities in Licensing, Professional Conduct and Investigations to streamline operations.</p>

Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Deter illegal building by advancing the HCRA’s strategy and leveraging impactful enforcement outcomes.</p>	<p>Continue to support the government in its consideration of the HCRA’s illegal building strategy and other enhancements to the regulatory framework to improve the efficiency and efficacy of enforcement tools.</p>	<p>Provide support to the government in its consideration of the HCRA’s illegal building strategy</p>

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

Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>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.</p>	<p>Revise the fee model to ensure financial sustainability and alignment with the HCRA’s regulatory mandate.</p>	<p>New fee model fully implemented in 2026-2027</p>
Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Refine and measure service levels to optimize people and financial resources allocated.</p>	<p>Advance our culture of continuous improvement through a strategic workforce analysis, evolving our performance framework to ensure staff goals and KPIs are meaningfully aligned with business metrics.</p>	<p>HCRA staff development and continuous growth:</p> <ul style="list-style-type: none"> • Ensure 60% of staff goals are directly tied to organizational metrics to strengthen alignment between individual performance and organizational outcomes • Ensure every role has at least one key KPI to support clear accountability and performance transparency
Strategic Objective	Priority Activities for 2026-27	Measures and Targets
<p>Enhance effective and efficient technology solutions to improve operations.</p>	<p>Continue to assess current IT infrastructure and organizational expertise supporting the organization to improve operations, technology efficiency, and minimize costs.</p>	<p>Successful implementation of new data storage options that lower overall data storage costs</p>

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 2026-2027, 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 Ensure that inquiries by the Customer Service team are handled with professionalism and in a timely manner.	<ul style="list-style-type: none">Average wait time to respond to incoming phone calls: 2 minutes
Licensing application Oversee licensing requirements and applications in a timely manner using a risk-based approach.	<ul style="list-style-type: none">Processing time for a new licence application: eight weeks for a complete applicationProcessing time for a renewal application: four weeks for a complete application
Complaints Take action on complaints in an impactful manner, always prioritizing complaints that pose the greatest potential risk to consumers.	<p>Complaints regarding licensed builders:</p> <ul style="list-style-type: none">65% of complaints resolved within one year70% of high-risk complaints resolved within one year* <p>Complaints regarding illegal building:</p> <ul style="list-style-type: none">65% of complaints resolved within one year70% of high-risk complaints resolved within one year* <p>*A high-risk complaint is one involving serious issues of conduct, competency, or financial responsibility—often with multiple complaints against the same licensee—where the impact on consumers is significant, shows a pattern of behavior, or threatens public confidence in the profession, especially when there is a history of similar concerns</p>

Court, Tribunal and Discipline Committee Appearances

Continue to strengthen the integrity of the HCRA's regulatory and enforcement actions by effectively representing the organization before the Licence Appeal Tribunal, the Discipline Committee, and the Ontario Provincial Court to defend regulatory decisions, enforce the Code of Ethics, and prosecute illegal builders.

- Percentage of successful prosecutions: 90%
- Percentage of successful appearances at Licence Appeal Tribunal: 90%
- Percentage of successful prosecutions at Discipline Committee: 75%

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
- Overall event content satisfaction: 75%



RESOURCES

In developing the 2026-2027 Business Plan, the HCRA reviewed the financial, human, and other resources required to successfully achieve its 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 to deliver services efficiently and cost-effectively, demonstrating that the benefits of the *New Home Construction Licensing Act, 2017* regulatory requirements justify the associated costs.

Three-Year Financial Outlook FY2027 to FY2029

	FY 2027 (Budget) \$	FY 2028 (Outlook) \$	FY 2029 (Outlook) \$
Revenues			
Licensing Fees	5,594,619	5,945,504	6,365,954
Per Unit Fee	3,937,765	4,182,474	4,442,328
Other Income	748,000	762,960	778,219
Total Revenues	10,280,384	10,890,938	11,586,501
Expenditures			
Human Resources	8,387,930	8,555,689	8,726,803
Operating	3,965,838	4,610,330	4,753,992
Total Expenditures	12,353,768	13,166,019	13,480,795
Net Surplus / (Deficit)	(2,073,384)	(2,275,081)	(1,894,294)

Human Resources

The HCRA operates under a hybrid model that emphasizes high performance, collaboration, and teamwork. In a dynamic operating environment, the organization remains focused on sustaining an engaged workforce that upholds its values and delivers its regulatory mandate.



KEY RISKS

The HCRA maintains an ongoing enterprise risk management plan to identify, assess, and manage risks while leveraging opportunities in support of its mandate and objectives. The plan includes escalating higher-level risks to the Board of Directors, with regular review by the Board’s Finance, Audit, and Risk Committee and the HCRA Senior Leadership Team to identify emerging risks and assess existing ones.

The plan is designed to identify each risk and implement corresponding mitigation strategies. This includes assessing the likelihood of occurrence and potential impact. In the event of an emergency, the HCRA will activate its contingency plans to ensure continuity of critical services, re-assigning staff as necessary to support key functions. The plan also ensures ongoing communication with the HCRA Board and the ministry responsible for oversight.

The table below highlights the categories of risk that the HCRA monitors and mitigates to achieve its core strategic objectives. For 2026–2027, some of the key risks and their 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. • Fee model review.
<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.

Reputational

Risks related to awareness of HCRA's mandate and the impression of the organization as a trusted regulatory body

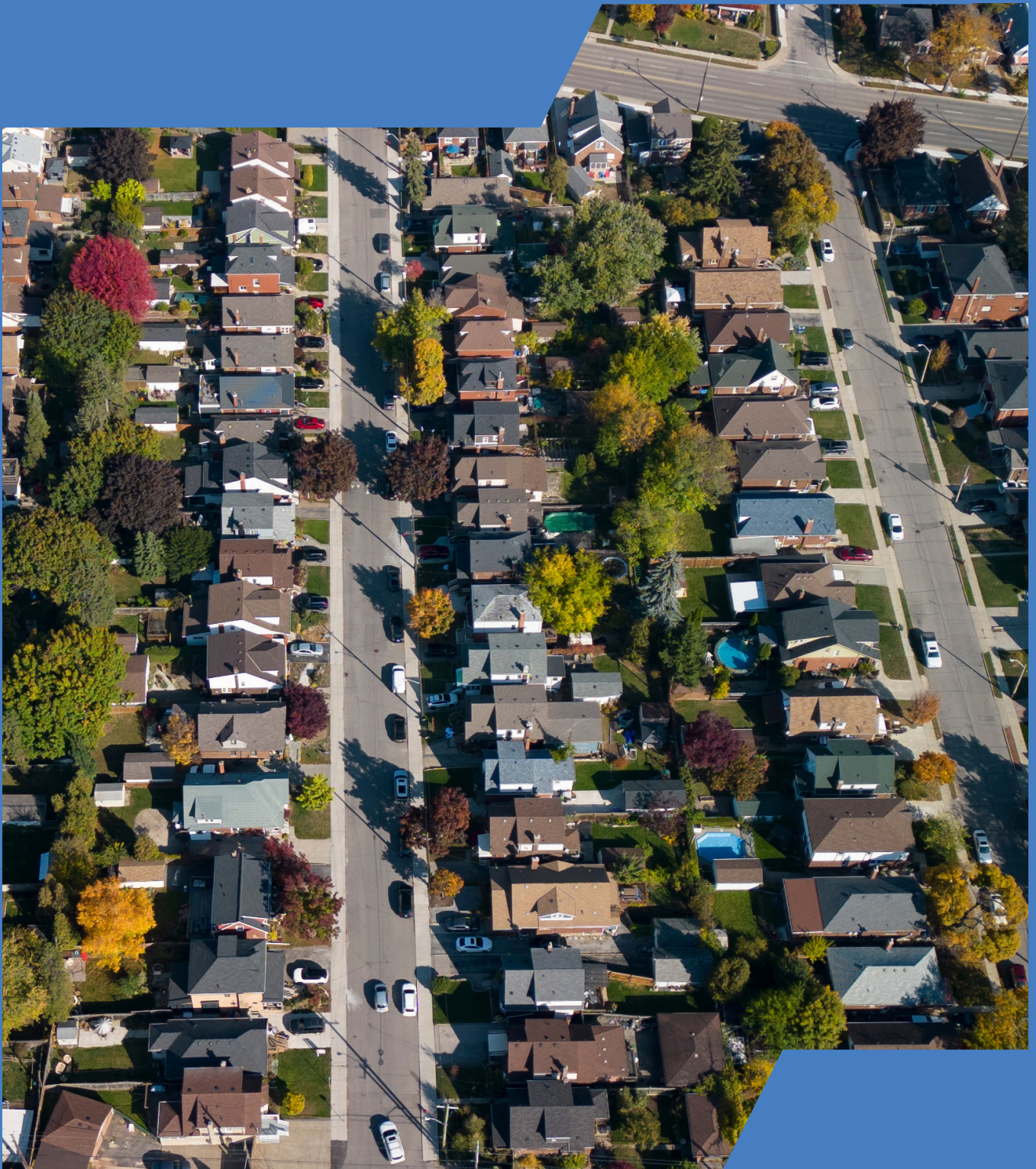
- Targeted outreach and engagement with consumers, real estate and legal professionals, building officials, and industry associations.
- Regular communications with the public, media, and stakeholders through HCRA's e-newsletters, blog, and social media platforms.
- Collaborations with other Administrative 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.

Business

Risks impacting operations and systems

- 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.





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