



Department  
for Work &  
Pensions

# Jobs Guarantee – Phase One

## Grant Guidance

January 2026

## Ministerial Foreword

Every young person deserves a fair chance to succeed. When given the right support and opportunities, they will grasp them. But, for too long, young people have not had access to the opportunities and support they deserve. Nearly a million young people are not in education, employment or training – locking them out of meaningful work, denying employers the workforce of the future and holding back economic growth.

This is a national cause that demands radical action, as we cannot afford to lose this generation. That is why this Government committed to deliver a Youth Guarantee to break down barriers to opportunity and ensure every young person can access the support they need to earn or learn.

The Jobs Guarantee is central to this, providing guaranteed jobs for 55,000 long-term unemployed young people over the next three years, helping them take the crucial first step into sustained employment where earlier support and opportunities have not worked.

The guidance outlines our approach to the first phase of this scheme.

We will begin delivery of the Jobs Guarantee in six areas from spring 2026, providing jobs to more than 1,000 young people across: Birmingham & Solihull, East Midlands, Greater Manchester, Hertfordshire & Essex, Central & East Scotland, Southwest & Southeast Wales.

The scheme will offer a guaranteed, fully subsidised six-month paid job to every eligible 18–21 year old who has been on Universal Credit and looking for work for 18 months. The government will cover 100% of employment costs for 25 hours a week at the relevant minimum wage, alongside additional wraparound support to help participants succeed in their job and transition into sustained employment.

The scheme aims to address the rising number of young people experiencing long-term unemployment the life-long scarring effect this can have, with evidence showing that young people who experience long-term unemployment can lose up to £1m in lifetime earnings compared to their peers.

This will be followed by national roll-out of the Jobs Guarantee across Great Britain, later in 2026.

The Jobs Guarantee is a downpayment on young people's futures and the future of the country, creating real pathways into good jobs and providing work experience, skills training and guaranteed employment.

**The Rt Hon Baroness Smith of Malvern  
Minister for Skills**

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## 1. Introduction

- 1.1.1. We will begin delivery of the Jobs Guarantee in six areas from spring 2026, providing jobs to more than 1,000 young people across: Birmingham & Solihull, East Midlands, Greater Manchester, Hertfordshire & Essex, Central & East Scotland, Southwest & Southeast Wales.
- 1.1.2. In Phase One, the Scheme will provide a fully subsidised six-month paid job to eligible 18–21 year olds who have been on Universal Credit and looking for work for 18 months. Through the Scheme, the Department for Work and Pensions (DWP) will fund 100% of eligible employment costs for 25 hours a week at the relevant minimum wage, alongside wraparound support to help participants succeed on the scheme and transition into sustained employment.
- 1.1.3. This guidance is intended for organisations applying to deliver the Jobs Guarantee in one or more of the six Phase One areas from spring 2026. This guidance explains the purpose of the Scheme, outlines Grant eligibility criteria, outlines the requirements under the grant to set expectations for Delivery Organisations, and provides information and guidance on how organisations can apply for grant funding to deliver the Scheme. The details of the grant provided below relate to the delivery of Phase One of the Jobs Guarantee only.
- 1.1.4. This guidance should be read alongside the Grant Application Form on 'Find a Grant' (and further application guidance contained within it), the draft Grant Funding Agreement and any other documents or material provided by DWP to support the grant application process. Nothing in this document takes precedence over what is included in the draft Grant Funding Agreement, which outlines the agreement that will be made between DWP and any organisation who is successful following the Grant Application process.

## 2. The Jobs Guarantee

### 2.1. Background of the Jobs Guarantee

- 2.1.1. Building a thriving and inclusive labour market and increasing the number of people in work is central to achieving the government's number one mission to grow the economy.
- 2.1.2. Nearly a million young people are not in education, employment or training – locking them out of opportunity, denying businesses talented young workers, and holding back economic growth. As the Government's White Paper 'Get Britain Working' outlined, this has damaging effects for young people and is a missed opportunity for our economy.
- 2.1.3. As part of the action to tackle this, the Government has introduced the Youth Guarantee to ensure every young person can access the support they need to earn or learn. The Jobs Guarantee is a key part of this.
- 2.1.4. Once fully rolled out, the Jobs Guarantee will guarantee six months of paid work, with wraparound support, for every eligible 18-21 year old who has been on Universal Credit, looking for work, for 18 months or more.
- 2.1.5. The Jobs Guarantee will help young people take a crucial step towards sustained employment. The time spent in meaningful work coupled with support and training provided, will help participants in the scheme develop the necessary skills and experience they need to move into sustained employment. The Jobs Guarantee will initially support over 1,000 young people into jobs under the Scheme in six areas across Great Britain (GB). This will be followed by the national roll-out of the scheme across GB, providing a total of 55,000 jobs over the next 3 years.
- 2.1.6. Phase One of the Jobs Guarantee will run from spring 2026. The national rollout will commence later in 2026.

### 2.2. Aims and Objectives of the Jobs Guarantee

- 2.2.1. The aim of the Jobs Guarantee is to provide Participants with meaningful paid work that will give them the skills and experience they need to take a crucial step towards sustained employment.
- 2.2.2. The objectives of the Jobs Guarantee are to:
  - Ensure that every eligible young person is guaranteed a suitable job – with the right number of jobs and the right type of jobs provided in the right places at the right time.
  - Ensure that eligible individuals on the scheme have the support that they need to address their barriers to employment, so that they are able to gain skills and experience from 6 months of continuous employment that will help them make the transition into sustained employment.

### **2.3. Phase One of the Jobs Guarantee**

- 2.3.1.** This guidance is intended to support Applicants for Phase One of the Jobs Guarantee.
- 2.3.2.** Ahead of a GB wide roll out later this year, the Jobs Guarantee will first launch in six areas across GB, delivering over 1,000 job starts over the initial six months.
- 2.3.3.** Phase One is expected to commence in April 2026 once Grant Funding Agreements are signed with successful Applicants. Job starts under Phase One are then expected to occur between May 2026 and October 2026, with the final six month job finishing by 30 April 2027. Final payments will be made by the end of July 2027 before Phase One will close in August 2027.
- 2.3.4.** Phase One will help to support the development of the Scheme ahead of GB wide roll out, as well as enabling the Scheme to start delivering for young people as quickly as possible in some of the highest areas of need.
- 2.3.5.** In Phase One DWP will award grants to selected Grant Recipients (“Delivery Organisations”) in each area who will work with DWP to deliver the Jobs Guarantee in their area.
- 2.3.6.** The areas for Phase One are aligned to JobCentre Plus districts and existing Local Administration or Mayoral boundaries. There will be one lead Delivery Organisation awarded the grant per area, though organisations can work in partnership with other organisations, such as specialist service providers, to deliver the Jobs Guarantee in their area.
- 2.3.7.** Under the Scheme, eligible young people in the six Phase One areas will be referred from DWP to the relevant Delivery Organisation. For each area, the successful Applicant will be expected to accept an agreed number of referrals from DWP between April 2026 and October 2026 inclusive. The six areas and expected number of referrals in each, are:
  - Birmingham & Solihull - 275 referrals
    - Birmingham City Council
    - Solihull Borough Council
  - East Midlands - 200 referrals
    - East Midlands Combined Authority
  - Greater Manchester - 275 referrals
    - Greater Manchester Combined Authority
  - Hertfordshire & Essex - 150 referrals
    - Essex County Council
    - Hertfordshire County Council
    - Southend-on-Sea Borough Council
    - Thurrock Council

- Central & East Scotland - 150 referrals
  - East Renfrewshire Council
  - Renfrewshire Council
  - West Dunbartonshire Council
  - East Dunbartonshire Council
  - Glasgow City Council
  - Scottish Borders Council
  - North Lanarkshire Council
  - Falkirk Council
  - East Lothian Council
  - The City of Edinburgh Council
  - Midlothian Council
  - West Lothian Council
- Southwest & Southeast Wales - 150 referrals
  - Ceredigion County Council
  - Carmarthenshire County Council
  - Swansea Council
  - Neath Port Talbot Council
  - Pembrokeshire County Council
  - Bridgend County Borough Council
  - Rhondda Cynon Taf County Borough Council
  - Blaenau Gwent County Borough Council
  - Caerphilly County Borough Council
  - Vale Of Glamorgan Council
  - Monmouthshire County Council
  - Cardiff Council
  - Torfaen County Borough Council
  - Merthyr Tydfil County Borough Council
  - Newport City Council

2.3.8. This is equivalent to a total of 1,200 Referrals over Phase One.

2.3.9. Once referred, individuals will become Participants in the scheme. Delivery Organisations will be funded to support these Participants, and employment costs will be funded where Participants are matched with suitable jobs.

2.3.10. Subject to the capacity of DWP and Delivery Organisations, there may be scope to increase the referral numbers in line with the terms of the Grant Funding Agreement. Over the course of Phase One, DWP will work with successful Delivery Organisations to expand the number of Referrals where DWP and Delivery Organisation capacity allows, and where the Delivery Organisations are meeting agreed outcomes. By mutual agreement, additional Grant Funding will be provided to the Delivery Organisations in line with any increase in Referrals.

2.3.11. Phase One of Jobs Guarantee provides Grant Funding for Employers for six months paid work under the Scheme (defined as “Funded Employment”) and associated

onboarding costs. It also provides funding for Delivery Organisations to provide wraparound support for eligible young people participating in the scheme and to cover administration costs associated with the delivery of the scheme.

2.3.12. Delivery Organisations will be responsible for using the grant to deliver funded activities. This will include identifying and securing of suitable jobs (which meet the requirements of Acceptable Employment in the Grant Funding Agreement), matching the young person to a suitable job and providing ongoing wraparound support and training for the young person throughout their time on the Scheme.

2.3.13. Delivery Organisations will work with the Participant to match them to a suitable job. All Participants are expected to be matched with a suitable job during their time on the scheme. While Delivery Organisations will be responsible for sourcing suitable jobs, delivery organisations must work with employers to ensure jobs align with the requirements set out in this document and the Grant Funding Agreement.

2.3.14. Delivery Organisations will also need to ensure that the Participant receives wraparound support and appropriate training ahead of matching to the job and while the young person is in the job under the Scheme. The Delivery Organisation will be responsible for designing the support and training offer, ensuring that it is tailored to meet the needs of the Participant and the job. In doing so they must ensure it meets the requirements set out in Section 3 of this guidance and the draft Grant Funding Agreement.

## **2.4. Participants in the Jobs Guarantee**

- 2.4.1. The Jobs Guarantee will provide paid work for eligible 18-21 year olds who have been on Universal Credit for 18 months in the Intensive Work Search regime. Young People will need to meet these criteria at the point of Referral to the Scheme, and so may be aged 22 by the time they complete the scheme. The Intensive Work Search regime means that they have not been assessed as having Limited Capability for Work. Those young people eligible for the Scheme will either have been out of work and education for the last 18 months, or have minimal work history (have completed less than 50 hours of paid work) over the last 18 months.
- 2.4.2. As detailed in the Grant Funding Agreement, where there is spare capacity, DWP may vary the Referral eligibility criteria to refer in more individuals who will benefit from the scheme. In Phase One this is most likely to be those aged 22-24 who would otherwise be eligible.
- 2.4.3. The young people who will be eligible for the scheme will be a diverse group and it is expected that they will have more complex needs on average than for other wage subsidy schemes, such as Kickstart. In particular the cohort is expected to have lower levels of educational qualifications given the eligibility criteria for Referrals under the Scheme.

- 2.4.4. Given the expected higher rates of complex needs or multiple barriers to sustained employment, a tailored wraparound support package provided to Participants will be critical to the success of the Scheme. Delivery Organisations will need to set out the proposed support offer they will provide, and how they will meet the varying needs of Participants.
- 2.4.5. A young person will be deemed to have completed the Jobs Guarantee once they have completed their 6 months of Funded Employment, or moved into paid employment outside of the Scheme if this happens before completing their 6 months Funded Employment.

## 2.5. Summary of grant funding under Phase One of the Jobs Guarantee

- 2.5.1. All grant funding must be used to deliver the funded activities under the Jobs Guarantee and support young people referred from DWP to the Delivery Organisations under the scheme. Details on eligible expenditure and what constitutes 'Funded Activity' are set out in the draft Grant Funding Agreement.
- 2.5.2. Delivery Organisations must not seek to merge the Jobs Guarantee grant with existing funding that targets a different cohort. Delivery Organisations are also prohibited from applying for or obtaining any duplicate funding for delivery of activities under the Jobs Guarantee which has been paid for in full using the grant.
- 2.5.3. Further details of requirements related to Grant Funding under Phase One of the Jobs Guarantee are provided in Section 3 of this guidance and details of the Grant Funding itself and the schedule of payment is provided in Section 4 of this guidance.
- 2.5.4. A summary of the grant funding under Phase One is as follows.
- 2.5.5. **Employer Wage costs:** DWP will reimburse 100% of eligible wage costs for those completing Funded Employment under the Jobs Guarantee. These wage costs will be incurred by the Employer and reimbursed via the Delivery Organisation after being verified by DWP. The grant will reimburse actual wage costs up to 25hrs/week for six months at the age relevant minimum wage, as well as associated employer National Insurance Contributions (NICs) and minimum employer pension contributions where relevant. Employers can choose to pay Participants at a higher hourly rate or for more hours per week, but they will need to fund this and this will not be reimbursed.
- 2.5.6. **Employer onboarding costs:** Up to £250 per Participant is available to reimburse costs incurred by Employers associated with a Participant commencing a job under the Scheme. This funding can be used for actual costs incurred by the Employer associated with the Participant starting in a job under the Scheme. This may include, but is not limited to: uniform, Personal Protective Equipment or other safety equipment, basic equipment needed for the job, and workplace adjustments directly required for the participant that are not covered by statutory employer duties or other public funding (including Access to Work). Employers will need to submit claim forms to the Delivery Organisation who will be able to process these with DWP once a month. DWP will reimburse eligible expenditure via the Delivery Organisation.

2.5.7. **Delivery Organisation Wraparound support and administration costs:** funding for wraparound support and delivery costs are calculated on a per Participant basis. As part of their Grant Application, Applicants must set out the level of funding required to deliver the Scheme for the expected number of Participants in the area they are bidding for, within the available maximum funding envelope. Applications will need to set out how the required funding will be used, how it aligns with the guidance on eligible expenditure, and how it will deliver value for money. Applicants must provide a Financial Model that outlines anticipated costs they will incur in delivering the Scheme over the Funding Period, this should be based on their Delivery Plan.

2.5.8. Up to £2,250 per Participant is available to reimburse Delivery Organisations for wraparound support and training costs. This funding is intended to cover the cost associated with providing tailored support and training to each Participant to support them to start in the job, get on in the job and progress into sustained employment. Details on eligible spend and the types of support we expect Delivery Organisations to provide (either directly or indirectly) are set out at the relevant sections of this document and in the Grant Funding Agreement. We will expect details of the proposed support offer to be included in Grant Applications.

2.5.9. Up to £400 per Participant is available to reimburse **administration costs** incurred by Delivery Organisations. This funding is expected to be used to cover the costs of administration and delivery of the Scheme. A non-exhaustive list of examples include:

- Costs associated with the sourcing of jobs and the matching of Participants to jobs, for example; costs associated with the staff time to source the jobs, the production of promotional material, and staff time to match a young person to a suitable job. Delivery Organisations cannot provide financial incentives to Employers or individuals working for an Employer as a means of securing jobs.
- Costs associated with grant management: costs associated with providing management information and reporting including preparation of claims for grant funding, audit preparation, and case management systems and licenses.

2.5.10. While the funding will be calculated on a per Participant basis, it is expected that there will be some variation on the actual amounts spent on each participant. Delivery Organisations will be expected to adjust the amount spent to reflect the needs of each Participant, while staying within agreed funding levels.

2.5.11. At the end of the Funding Period, Delivery Organisations will need to engage with a final payment and reconciliation process run by DWP. This may result in the claw back of any underspend where appropriate.

## 2.6. Application details for Phase One of the Jobs Guarantee

2.6.1. To identify the Delivery Organisations for each of the six areas, and to award grant funding, DWP will be running a competitive grant process. Applicants must read this section alongside the Grant Application Form and the Application Guidance within it which provides further details on the Grant Application process.

2.6.2. To deliver Phase One of the Jobs Guarantee across these six areas, we are looking for organisations with relevant experience of working with long-term unemployed and disadvantaged young people. These organisations must also have an understanding of the local labour market conditions. Delivery Organisations can partner with - or subcontract to - other organisations to deliver aspects of the Jobs Guarantee. For example, it may be appropriate to subcontract the provision of specialist support which the Delivery Organisation cannot provide themselves.

2.6.3. Applicants must demonstrate capacity to deliver at the required scale in the relevant geographic area. As such, when providing a response to the section 'Delivery Plan' in the application form, applicants must include a plan for the full Funding Period from April 2026 (or commencement date) - July 2027. This must set out a schedule from April 2026 – April 2027 of how many Participants they expect to be able to take on Referral, place in job starts on a monthly basis and support in their time on the Scheme. In this Delivery Plan, job starts must commence between April 2026 and October 2026 inclusive. The Delivery Plan should also include their plans for any evaluation and winding down of the Scheme within the Funding Period. Finally, Applicants must provide a Financial Model that outlines anticipated costs they will incur in delivering the Scheme over the Funding Period, this should be based on their Delivery Plan.

2.6.4. When preparing Grant Applications, we expect Applicants to have considered the range and suitability of employment opportunities within the region they are applying to deliver for. The demand for the Scheme will not be uniform within each area and so Applicants will be expected to set out how Delivery Plans will manage any local variation within the area they are bidding to deliver in. The intention of the Scheme is to support young people to develop the skills and experience they need to transition into sustained employment, and so we are seeking Grant Applications from organisations which can demonstrate their existing knowledge of the local labour market and/or details of how Applicants will work with local partners to build their knowledge of local labour market needs and opportunities.

2.6.5. The application window will open for Grant Applications at 11am on 29 January and will be open for four weeks until 23:59 on 28 February 2026. We will aim to notify successful Applicants at the start of April 2026.

## 2.7. Who can apply to Phase One of the Jobs Guarantee

2.7.1. DWP welcomes Grant Applications from a wide range of organisations with experience delivering employment, skills, youth, or wraparound support services, including but not limited to:

- Specialist employment support organisations,
- Charities, nonprofits, and social enterprises,
- Local authorities,
- Mayoral Strategic Authorities (MSAs).

2.7.2. We welcome Grant Applications made in partnership across organisations.

Applications that do so should clearly state the lead organisation that will hold the relationship with DWP and responsibility for the grant, and outline how they will work in partnership with others to deliver the grant objectives.

- 2.7.3. Organisations can bid for all six areas but will only be awarded the grant as the lead Delivery Organisation in a maximum of two of the Phase One delivery areas for the Jobs Guarantee. However, should you want to discuss delivery through other partners in more than two areas, please contact us to discuss your plans. A separate Grant Application will be required for each area.

### 3. Grant requirements under the Jobs Guarantee

#### 3.1. Introduction to grant requirements under the Jobs Guarantee

3.1.1. Delivery Organisations will be responsible for delivering the Jobs Guarantee following the Referral of eligible young people from DWP.

3.1.2. There are a range of requirements that they must fulfil under the Grant Funding Agreement, these include:

- Working with Employers to fulfil requirements jobs under the Scheme - such as securing of suitable jobs, matching the Participant to a suitable job, and providing wraparound support and training for the young person.
- Fulfilling the requirements to relating to Employer costs – this includes notifying DWP when young people start and leave jobs under the scheme to support timely payment and providing details of employer onboarding costs.
- Fulfilling the requirements for Delivery Organisation costs – this includes the provision of wrap around support and evidencing relevant costs.
- Fulfilling requirements when young people fail to engage – including notification of non-engagement.
- Fulfilling reporting and review requirements – including the provision of Monthly Reports and engagement with Quarterly Reviews to demonstrate the grant funding is being used to deliver the grant objectives, this will require collecting data from Employers.
- Fulfilling the grant payment conditions – as specified in the grant funding agreement to enable the payment of grant funding.

3.1.3. Further details of these requirements are set out below.

#### 3.2. Requirements for jobs under the Jobs Guarantee

3.2.1. Young People undertaking Funded Employment under the Scheme are expected to be treated like other employees of the business and will legally be an employee of the business.

3.2.2. While on the Jobs Guarantee eligible young people will be expected to participate in meaningful work that provides them with purpose and allows them to make a meaningful contribution. For work to be meaningful, the Funded Employment must be equivalent to a job not funded by the Jobs Guarantee and must not involve significant classroom or online training beyond that provided to regular employees. This work should provide the young person with opportunities to learn and develop, gaining new skills and experience that will support them into sustained employment.

3.2.3. Delivery Organisations should support Employers to ensure jobs are both meaningful and suitable for young people with a range of complex needs. The suitability of Employers should also be considered, including the existing size of that company,

and their capacity to provide meaningful work. It is expected that young people will be placed with reputable Employers within the local area.

3.2.4. When considering the requirements for jobs under the Scheme, Delivery Organisations will be responsible for:

- Working with Employers to create or source suitable jobs of sufficient quality. These jobs can be new roles or existing vacancies. To support Delivery Organisations, DWP will use its established relationships with large employers (those with 250+ employees) to support Delivery Organisations to identify suitable jobs with these employers and match Participants into jobs accordingly.
- Engaging with a range of Employers to ensure a sufficient variety of roles to meet the needs of Participants.
- Matching Participants to appropriate jobs (considering the local labour market and any barriers the young person may face), with regards to their previous experience and where possible preferred industries or role type. This includes supporting the matching of the young person to a new role where the previous role ended before the end of the six months.
- Working with Employers to ensure that the Funded Employment provides meaningful work that will help eligible young people develop the skills and experience necessary to move into sustained long-term employment.
- Maintaining regular contact with Employers during the six-month Funded Employment period to identify any issues and help to resolve them.
- Ensuring jobs meet basic standards of suitability, legality and safety.

3.2.5. It is expected that jobs funded under the Scheme will be for a minimum of 25hrs/week. However, there will be cases where DWP would not require the Participant to work 25hrs/week due to an easement applied to their case. In these instances, the Funded Employment will be permitted to be for less than 25hrs, in line with the expectation under the DWP easement, though the Participant can work more hours if they choose.

3.2.6. As set out in the Grant Funding Agreement, it is a requirement of the Scheme that jobs created or sourced must not cause an existing employee or contractor to be displaced, dismissed, or to have their hours reduced.

3.2.7. As funding for the Scheme is provided under the Minimal Financial Assistance exemption in the Subsidy Control Act 2022, employers must ensure that at the point they agree to take on a young person that any expected funding they would receive under this Scheme and any other relevant subsidy scheme will not result in them exceeding the £315,000 threshold for all funding received under this exemption. The Delivery Organisation will need to secure this confirmation from Employers and provide it to DWP. More details on this provision are included in the Grant Funding

Agreement, and guidance for Employers can be found in the [Subsidy Control Act: Guidance of Beneficiaries](#)<sup>1</sup>.

3.2.8. Delivery Organisations must ensure that Employers participating in the Scheme understand all the requirements above as well as the anticipated range of needs participating young people may have.

### 3.3. Requirements for Employer costs

3.3.1. Grant Applicants will need to demonstrate that they have the capability to fulfil the requirements below for Employer costs under the grant.

3.3.2. To ensure Employers are reimbursed for wage costs, Delivery Organisations must notify DWP of a Participant's job start as soon as possible once the Participant has started, in line with Section 5 of the Grant Funding Agreement.

3.3.3. Along with this confirmation of job start, the Delivery Organisation must confirm the Participant is in Acceptable (as defined in the Grant Funding Agreement) and Meaningful Employment, and provide any details of Employer National Insurance Contributions and/or pension contributions where relevant.

3.3.4. DWP will use this information to verify wage costs and provide reimbursement for eligible wage costs, which Delivery Organisations must pass onto Employers within 5 working days of receipt.

3.3.5. To ensure Employers are not overpaid, Delivery Organisations must notify DWP as soon as possible where a Funded Employee has left a job or the scheme.

3.3.6. Where eligible Employer onboarding costs are incurred and where the Employer wants to be compensated for these, a valid claim form must be submitted by the Employer to the Delivery Organisation. The Delivery Organisation will then provide a monthly return of Employer onboarding costs that will be reimbursed by DWP in line with the process in Section 5 of the Grant Funding Agreement.

### 3.4. Requirements for Delivery Organisation costs

3.4.1. Grant Applicants will need to provide an estimate of their expected delivery costs over the Funding Period – this should be a calculation of the sum of the per Participant wraparound support costs and the per Participant administration costs, multiplied by the estimated number of Referrals, see section 4 of this guidance for details of these calculations. This will be the total Delivery Organisation allocation for the Funding Period.

3.4.2. Applicants will need to evidence how grant funding to cover these costs will be used in their Delivery Plan. To support Grant Applicants, the guidance provided below outlines how this grant funding will be required to be used.

#### **Wraparound support costs**

<sup>1</sup> <https://www.gov.uk/government/publications/subsidy-control-a-guide-for-beneficiaries>

3.4.3. Eligible young people participating in the Scheme are likely to have multiple barriers and complex needs which may have prevented them from securing employment. DWP expects the Delivery Organisation to provide tailored wraparound support to the Participants to help them overcome these barriers, succeed in their job and to give them the best opportunity to move into sustained employment after completing the Scheme. Grant Applications will need to detail how Applicants will do so.

3.4.4. Wraparound support must be tailored to individual needs, and organisations will need to consider how they will support the Participants before and during the job, including preparing them for after the job.

3.4.5. Delivery Organisations should consider how best to support individuals using different support measures and determine the appropriate support required for each young person based on their needs. This may include considerations under the Equality Act 2010, where DWP expects Employers to accommodate reasonable workplace adjustments as normal. Where requirements go further than a reasonable adjustment then Delivery Organisation can consider if the support can be accommodated through the wraparound support funding.

3.4.6. While the appropriate support will differ between young people participating in the scheme, a portion of the funding for wraparound support should be used for the following activity with all Participants:

- Preparation support before starting the job: support for young people to take up a job under the Jobs Guarantee, which may be pre-employment training, mentoring to build confidence or sessions on what to expect on their first day. Delivery Organisations may use funding for up to two weeks of relevant and appropriate pre-employment training to ensure Participants are work ready.
- Support and training while in the job: This should cover support to stay in the job and support to develop in the job. This may include on the job training related to the specific industry or role or training to develop soft skills e.g. time management or confidence to speak in meetings. This may also include 1-2-1 mentoring, group sessions or peer mentoring to build confidence and support them to stay in the role. Where the young person is intending to stay in the job after the end of the Scheme this should also include support to help them transition into the future role without the funded wraparound support. This must include support for individuals at risk of leaving the job to support them to remain in the role, and support to re-engage where the young person either leaves the job early or disengages.
- Work search and transition support: to support the young person into sustained employment as they prepare to leave the Scheme, we would expect Delivery Organisations to provide support to help the young person to secure sustained employment. This may include support to develop their CV to reflect their experience from the scheme and preparation for interviews.

3.4.7. Some young people may face significant barriers to work and so Delivery Organisations will be able to provide support beyond that detailed above to account for this. This may include:

- Workplace Access and Retention Support: Support to address practical barriers to sustaining the subsidised job. This may consider things such as travel or equipment, where not covered by other funding for workplace adjustments.
- Other tailored Support – Support to address personal barriers to employment, e.g. mental health or support to access childcare.

3.4.8. Where a young person leaves a job early (before the end of the six-months) the Delivery Organisations will be expected to work with the young person to encourage them to reengage. This may either be restarting the previous job (subject to the Employer's agreement) or matching them to another job where they have completed less than 4 months (unless they are leaving the Scheme to take up other paid employment).

3.4.9. Where the Delivery Organisation is not able to support them to reengage, they will be required to notify DWP that the young person has left the Scheme. The Delivery Organisation will be required to provide DWP with details of the actions taken to support the young person to reengage and information on why the young person left the job.

**Administration costs**

3.4.10. Grant funding is available to Delivery Organisations to cover the administration costs associated with delivering the Scheme. This funding should be used to cover the costs of activity including but not limited to: processing referrals, identifying suitable job roles and matching Participants with Employers, verifying compliance, and fulfilling reporting requirements. Grant Applicants will need to detail how they would intend to use this funding.

**Advance funding to support set up**

3.4.11. It is acknowledged that there may be some upfront costs associated with delivering wraparound support or putting in place administrative activities to deliver the Scheme. To support with set up costs associated with delivering the scheme, Delivery Organisations will be able to apply to DWP to receive up to 20% of their estimated total Delivery Organisation Cost in advance. Grant Applicants will need to evidence why this will be needed to support successful delivery of the Scheme. The remaining total allocation will then be divided between the four quarters, with the funding for the first quarter comprising of the advance allocation for set up costs plus the quarter's funding. The four payments will be paid over the period of expected referrals and funded jobs: Q1 April 2026, Q2 July 2026, Q3 October 2026, Q4 January 2027.

3.4.12. Further details on this and the calculation of Advances are provided in section 4 of this guidance.

### 3.5. Requirements if individuals fail to engage

- 3.5.1. Delivery Organisations will be required to notify DWP as soon as possible after identifying that a young person who has been Referred (both before and after starting Funded Employment) is failing to engage with the Scheme.
- 3.5.2. This includes a failure to attend the first referral meeting, failure to engage during the job matching process, failure to accept a reasonable job (it is accepted that the young person may be initially provided with a choice of jobs), failure to engage with the support provided, or voluntarily leaving the job (unless due to them securing alternative paid employment) or losing the job through misconduct.
- 3.5.3. Delivery Organisations will be required to provide DWP with necessary information related to the support provided and the reasons for non-engagement to support DWP to make any appropriate decisions related to sanctions. Any conditionality applied to the young person will be administered solely by DWP in accordance with its policies and procedures.

### 3.6. Requirements relating to reporting and reviews

- 3.6.1. Delivery Organisations will be required to closely monitor the delivery of the funded activities against the grant objectives and agreed outcomes.

#### **Quarterly Grant reviews**

- 3.6.2. DWP will meet with Delivery Organisations at least once every three months (once a quarter) for a formal quarterly grant management review meeting to assess delivery against the submitted Delivery Plans and the agreed outputs as outlined in the Grant Funding Agreement. These meetings will be a chance to assess delivery, discuss any potential issues either party may have and agree funding for the next quarter in line with agreed funding models.
- 3.6.3. It is expected that the Grant Manager within the Delivery Organisation and the DWP Grant Manager will meet more regularly than this to discuss delivery, and at least monthly. This will enable any issues either party may have to be addressed early to support resolution. Where there are material issues or concerns these should be raised as soon as possible by the relevant party, and notification should not be delayed until a scheduled grant review meeting.

#### **Monthly reporting**

- 3.6.4. To support these meetings and enable payment of grant funding, Delivery Organisations will be required to submit monthly reports. To enable this DWP will provide standardised reporting templates to delivery organisations. This will encompass requirement outlined in this guidance and in section 5 of the Grant Funding Agreement to enable grant payments.
- 3.6.5. As part of this return Delivery Organisations will be required to provide the information detailing actual spend on Delivery Organisation Funded Activity (both wraparound

support and administration costs monthly) to support Quarterly Reviews which will be used to agree the release of further funding.

3.6.6. Moreover, to support the assessment of delivery against agreed milestones and delivery plans, the monthly reports will also be required to include the following information:

- How many Participants have been matched to a job.
- How many Participants start a job.
- The length of time (in days) between Referral and a young person starting a job, per participant.
- Number of Participants who have not been successfully matched to a job, including the reasons why.
- Details of wraparound support and training delivered each month per young person, including type and hours.
- How many weeks young people spend in a job, per participant.
- Numbers of young people who remain in the job after the end of the 6 months, or transition into other paid employment.
- Numbers of young people who leave the job early, including the reason for leaving early, and whether they were able to be re-engaged.
- The numbers of young people in jobs by sector and employer size.

3.6.7. Grant Applicants should be aware DWP may request additional data as required. This may include data on the demographics of young people, support activities, job characteristics, job outcomes and employer feedback.

3.6.8. If selected, Delivery Organisations must comply at all times with their obligations under Data Protection Legislation.

### 3.7. Requirements to fulfil grant payment conditions

3.7.1. The conditions as outlined in the Grant Funding Agreement must be fulfilled to receive relevant payment through this grant, this includes, but is not limited to:

- Delivery Organisations confirming that employers who are to receive grant funding have provided written confirmation (referred to as a certificate in the Grant Funding Agreement) that they are within the Minimum Financial Assistance (MFA) threshold as defined in the Subsidy Control Act 2022.
- Delivery Organisations providing a full Delivery Model and Financial Model of anticipated delivery partner costs (required with applications) that is agreed with DWP.
- Delivery Organisations providing relevant evidence, where required, that all requirements of the Grant Funding Agreement are met.
- Delivery Organisations confirming no Event of Default has occurred or is continuing or that this would result from payment of the grant.

3.7.2. Grant Applicants must demonstrate they can fulfil these conditions and/or have the organisational capability to fulfil them.

## 4. Funding and Payment schedules

### 4.1. Funding available to deliver the scheme

4.1.1. This section details the funding available to deliver the Scheme. As part of their Grant Application, applicants must set out the level of funding required to deliver the guarantee for the expected number of participants in the area they are bidding for, within the available maximum funding envelope.

4.1.2. The total available funding for delivery of the Scheme is formed of:

#### 4.1.3. **Employer costs:**

- reimbursement of actual expenditure for wages, and associated Employer National Insurance Contributions and Employer minimum pension contributions where relevant. These are reimbursed up to 25hrs/week at the relevant minimum wage dependent on the age of the Participant.
- up to £250 per Participant for eligible onboarding costs.

#### 4.1.4. **Delivery Organisation costs:**

- up to £2,250 per Participant for wraparound support and training costs.
- up to £400 per Participant for administration costs associated with delivering the Scheme.

4.1.5. Funding will then be paid in line with the schedules below, subject to Delivery Organisations providing the required information to satisfy payment conditions for relevant payments and meeting agreed delivery milestones and objectives as outlined in section 3 of this guidance.

### 4.2. Employer costs and payment schedules

#### **Wage costs - wages, Employer National Insurance Contributions and Employer minimum pension contributions**

4.2.1. Funding for wage related costs will reimburse actual expenditure incurred by employers for the wages, Employer National Insurance Contributions, and Employer minimum pension contributions for those employed as part of the Scheme. This will be paid up to 25hrs per week, for 6 months per Participant, at the age relevant minimum wage.

4.2.2. The schedule shows when the funding will be sent to the Delivery Organisation. On receipt of the funding Delivery Organisations will then need to pass on the grant funding for wage costs to the Employer (or allocate it as appropriate where the Delivery Organisation is the Employer) within 5 working days.

<b>Funding type</b>	<b>When DWP will usually process the payment</b>	<b>When Delivery Organisations will usually receive the funding</b>
First wage payment	Six weeks after a participant starts a job, following receipt of the required information from the Delivery Organisation	Up to 11 working days after the payment has been processed by DWP
All other wage payments	Four Weeks after the previous wage payment	Up to 11 working days after it's been processed

### **Employer onboarding costs**

4.2.3. Funding for Employer onboarding costs will reimburse eligible costs incurred by Employers to support the young people to start Acceptable Employment under the Jobs Guarantee (Funded Employment). This may include role specific items (uniform or Personal Protective Equipment), set up costs for IT equipment and software licences or workplace adjustments for the Participant that are not covered by statutory employer duties or other public funding (including Access to Work).

4.2.4. In the first week of every month Delivery Organisations will be able to make claims for employer onboarding costs incurred in the previous month. Delivery Organisations must submit claim forms provided by Employers to DWP. A claim form will be provided by DWP.

<b>Funding type</b>	<b>When DWP will usually process the payment</b>	<b>When delivery organisations will usually receive the funding</b>
Employer onboarding cost	Following a valid claim being submitted (claims can be submitted monthly, for costs incurred in the previous month).	Up to 11 working days after it's been processed by DWP.

### **4.3. Delivery Organisation costs and payment schedules**

4.3.1. Delivery Organisation costs will cover the cost of providing wraparound support and training to young people, and the cost of administration costs associated with delivering the Scheme.

4.3.2. Delivery Organisation costs will be paid quarterly, over 4 quarters, and at the start of each quarter.

4.3.3. The total Delivery Organisation cost must be equal to the total number of Participants supported by the Delivery Organisation multiplied by the agreed cost per Participant for Delivery Organisation Funded Activities.

4.3.4. This means, the Delivery Organisation costs must be calculated by the Grant Applicant as the sum of their expected per Participant wraparound support cost (up to a maximum of £2,250) and their expected per Participant administration cost (up to a

maximum of £400), multiplied by the total estimated number of Referrals the Delivery Organisation intends to receive. This calculation is as follows:

$$\text{Total Delivery Organisation funding} = (\text{Per Participant wraparound support cost} + \text{Per participant administration cost}) \times \text{estimated number of referrals}$$

4.3.5. This funding will then be apportioned over each quarter. The default Grant Funding Agreement will see this funding allocated evenly across each quarter, unless the Delivery Plan provided by the Grant Applicant justifies a different allocation. The default quarterly funding allocation will therefore be:

$$\text{Quarterly Delivery Organisation funding} = \text{Total Delivery Organisation funding} / 4$$

4.3.6. If the Grant Applicant provides a Delivery Plan that requires a non-uniform quarterly allocation this will be considered and the final quarterly allocation will be agreed through the Grant Funding Agreement with the successful Applicant.

4.3.7. Delivery Organisations can request to receive up to 20% of the total Delivery Organisation funding upfront (with the Q1 allocation) to support with the set-up costs associated with the Scheme. This will be calculated as follows:

$$\text{Advance Delivery Organisation funding} = \text{Total Delivery Organisation funding} \times \% \text{ requested to be paid in advance}$$

4.3.8. Where an advance is agreed and paid, the quarterly allocation will be adjusted as follows to reflect the advance payment:

$$\text{Quarterly Delivery organisation funding minus advance} = (\text{Total Delivery organisation funding} - \text{advance delivery organisation funding}) / 4$$

4.3.9. The payment schedule is outlined below

Payment	Payment Timing	Payment Amount (unless otherwise agreed)
Q1 (Or Q1 allocation + Advance Payment where applicable)	At the start of Q1 of the funding period (or same as on signature of the grant agreement)	25% of total Delivery Organisation funding (minus 25% of advance, if applicable) PLUS Up to 20% of the total Delivery Organisation funding where advance agreed to.
Q2	At the start of Q2 of the funding period.	25% of total Delivery Organisation funding (minus 25% of advance, if applicable).
Q3	At the start of Q3 of the funding period.	25% of total Delivery Organisation funding (minus 25% of advance, if applicable)
Q4	At the start of Q4 of the funding period.	25% of total Delivery Organisation funding (minus 25% of advance, if applicable)

## 5. Compliance and Fraud Prevention

- 5.1.1. Delivery Organisation must maintain verifiable evidence of costs incurred, as set out in the Grant Funding Agreement, and provide independent assurance that the Grant has been used for the delivery of the funded activities.
- 5.1.2. Delivery Organisations must participate in DWP compliance checks and audits, and ensure strong antifraud processes, including Employer verification and due-diligence checks. DWP should be notified immediately of any actual or suspected fraud, theft or financial irregularity. Grant Applicants must cooperate fully with DWP and other government assurance activity where required and demonstrate their ability to do so in their Grant Application.

## 6. Evaluation

- 6.1.1. To provide accountability for the expenditure committed on the Jobs Guarantee, DWP aims to establish evidence on the impact, value-for-money and delivery of the Scheme. DWP therefore plans to conduct an evaluation of the Scheme and may commission elements of it to a third party. Delivery Organisations will be required to support this evaluation by actively participating and helping enable research, surveys and evaluation with Participants and Employers. To enable this, in addition to the data requirements below, Delivery Organisations may be asked to gather qualitative feedback from young people and Employers on matters such as their experience gained from the Scheme, where they worked, the skills developed, and their future employability.
- 6.1.2. Grant Applicants will need to demonstrate how they will support any evaluation in their Grant Application.
- 6.1.3. Delivery Organisations will be required to securely provide personal data to enable DWP, and any Third Party evaluation organisation appointed by DWP, to conduct research and analysis. This includes complying with Reporting and Management Information requirements in section 3 of this document and by taking additional actions where requested to collect and store sample details (such as identifiers and contact details). Delivery Organisations must ensure that the data recorded and provided is of a consistently high standard of accuracy, completeness and timeliness.
- 6.1.4. Delivery Organisations should discuss with DWP the timings and implications prior to commencing survey fieldwork with this group as part of any local research or evaluation activities that they may conduct. Delivery Organisations may receive further guidance on avoiding duplication of effort with the evaluation and minimising the burden on research participants as part of any local research or evaluation activities that they may conduct.
- 6.1.5. DWP may require additional information (additional to Management Information requirements) to evaluate Phase One. Delivery Organisations should set out an evaluation plan with data they can provide to support this. This may include:
  - Data on Participant onward destinations.
  - Support provided by the Delivery Organisation.
  - Feedback on the Jobcentre Plus referral process.
  - Participant surveys on their experience, which may include skills developed and confidence in applying for future jobs.
  - Employer surveys, which may include performance, skills and attendance.
- 6.1.6. DWP will provide advice and guidance to support Delivery Organisations with their commitments to actively participate in the evaluation, including on providing data for evaluation purposes.

## 7. Administration of the Grant Application process

- 7.1.1. DWP will publish a list of successful Applicants once the grants have been awarded. DWP will publish further information and guidance as necessary.
- 7.1.2. All Grant Applicants will be liable for all costs incurred in the preparation and submission of their Grant Application. DWP will not be liable for these costs and the Delivery Organisations cannot use their Jobs Guarantee grant funding to cover costs incurred in the preparation and submission of their Grant Application.
- 7.1.3. DWP reserves the right to:
  - change the basis of or the procedures for the Jobs Guarantee Grant Award process at any time;
  - amend, clarify, add to or withdraw all or any part of the Grant Application Instructions and Assessment Criteria, the Grant Guidance, the Grant Funding Agreement, and any documents attached or annexed there to, at any time during the Grant Application process, including varying any timetable or deadlines set out in these Grant Application Instructions and Assessment Criteria document;
  - cancel all or part of the Jobs Guarantee Grant Application/award process at any stage at any time.
- 7.1.4. Grant Applicants accept and acknowledge that the DWP is not bound to accept any Grant Application or obliged to award a Jobs Guarantee grant to any Grant Applicant at all.
- 7.1.5. Please be aware of sensitive information that you may wish to include in your Grant Application. Use anonymised information if you are referring to a specific example. Do note, the whole of the Jobs Guarantee Grant Application process and the issue and use of Jobs Guarantee Grant(s) is subject to standard Freedom of Information requests.

## 8. Glossary

Term	Definition
Acceptable Employment	As defined in the Grant Funding Agreement.
Delivery Organisation	The lead organisation that is awarded the grant under the Scheme. Referred to as the Grant Recipient in the Grant Funding Agreement
Delivery Organisation Cost	The sum of wraparound support costs and administration costs incurred by the Delivery Organisation under the scheme.
Delivery Organisation Funded Activities	Eligible activities that the Delivery Organisation can use the grant funding for.
Employers	For the purpose of this guidance Employers refer to those who have the capacity to provide or are providing Acceptable Funded Employment under the Scheme
Employer Costs	Wages costs (and associated employer national insurance contributions and employer pension contribution) and onboarding costs incurred by an employer under the scheme.
Employer Funded Activities	Eligible Activities that the Employer can use the grant funding for.
Funded Employee	An eligible young person who is in a job under the Scheme.
Funded Employment	A job that fulfils the requirements in the Grant Funding Agreement, and is funded by the Scheme.
Financial Model	A document detailing the total anticipated Delivery Organisation cost, and associated monthly breakdown, for Delivery Organisations to deliver the Scheme based on the Delivery Plan.
Funding Period	The period under which the grant will be paid as outlined in the Grant Funding Agreement, expected to be; April 2026 to July 2027.
(Grant) Applicant	An organisation that has applied for grant funding to deliver the Scheme as a (or the lead) Delivery Organisation.
Grant Application	An Applicant's submission through the relevant application form on 'Find a Grant'.
Intensive Work Search Group	Those claiming Universal Credit who are required by DWP to take significant action to find work or increase work hours. Applies to those that are unemployed or working below the AET (as defined in the Grant Funding Agreement), includes some with limited requirements;
Meaningful Work	For work to be meaningful, the job must be equivalent to a job not funded by the Jobs Guarantee and must not involve significant (no more than the equivalent of 20% of contracted hours) classroom or online training beyond that provided to regular employees.
Participant	An eligible young person who has been referred to a Delivery Organisation under the Scheme.
Phase One	The initial delivery of the Jobs Guarantee in six specified areas.
Referral	The handing over of an eligible young person to a Delivery Organisation under the Scheme.
The Scheme	Phase One of the Jobs Guarantee.