

Statistical bulletin

# The impact of employment advisors in NHS Talking Therapies on employee earnings and employment status, England: April 2014 to March 2025

The change in employee earnings and employment status after receiving employment advisor support and psychological therapy, compared with psychological therapy only.

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# 1 . Main points

- Employment Advisor (EA) support is available through NHS Talking Therapies (NHSTT) alongside psychological therapy; the service offers tailored advice for people who are out of work to find employment, and for people in employment when stress, anxiety or depression are affecting their work.
- Among individuals not working at the start of NHSTT treatment, receiving EA support alongside psychological therapy increased earnings and employment over time, compared with receiving psychological therapy only; on average, monthly earnings were £105 higher and the probability of being in paid employment after three years was 4.7 percentage points higher.
- Individuals not working and describing themselves as homemakers at the start of NHSTT treatment experienced the largest increases in earnings and employment over time after receiving EA support alongside psychological therapy; there was an average increase of £219 in monthly earnings and a 12.8 percentage point increase in the probability of being in paid employment after three years, compared with receiving psychological therapy only.
- Among people employed and working at the start of NHSTT treatment, those receiving EA support alongside psychological therapy experienced a decrease in earnings and employment over time compared with receiving psychological therapy only; there was an average decrease of £160 in monthly earnings and a 3.7 percentage point reduction in the probability of being in paid employment after three years.
- Among individuals employed and working at the start of NHSTT treatment and who remained in employment throughout the follow-up period, those receiving EA support alongside psychological therapy experienced an average decrease of £104 in monthly earnings three years later, compared with receiving psychological therapy only; this may suggest that people in employment are moving to lower-paying jobs or reducing their working hours.
- Individuals employed but off sick at the start of NHSTT treatment, who received EA support alongside psychological therapy, experienced an average decrease of £224 in monthly earnings and a 5.0 percentage point reduction in the probability of being in paid employment after three years, compared with receiving psychological therapy only.

All the datasets used for this analysis were de-identified in a secure virtual environment before they were combined and analysed. In line with the [Code of Practice for Statistics](#), the de-identified linked data will only be used for statistical production and research. Read more in [Section 5: Data sources and quality](#).

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## 2 . Results of the analysis

This study examined the impact of EA support on individual labour market outcomes as part of the [Support2Work](#) programme. Further work, conducted by other members of the Support2Work team, will include in-depth qualitative interviews with EA staff and service users. The work will also include an examination of the wider impacts of EA support; for example, the impacts on population health and societal welfare.

We used genetic matching to match individuals who received both EA support and therapy with similar individuals who received therapy only. The individuals who received therapy only were in a geographical area where employment support had not yet been introduced. We used staggered difference-in-difference modelling to compare changes in employment and earnings over time to estimate the additional impact of EA support. Definitions of the terms in this section are available in [Section 4: Glossary](#).

Figure 1 shows the impact on employment and earnings three years after individuals first received EA support, compared with matched individuals who received psychological therapy only. Further estimates at quarterly time periods and results stratified by characteristics, including age group, sex, presenting symptoms, number of EA sessions, mental health recovery status, and Index of Multiple Deprivation (IMD) quintile group can be found in our accompanying dataset.

## Figure 1: Largest improvements in labour market outcomes observed among non-working individuals (seeking work, not seeking work, and homemakers) three years after first receiving employment support

Changes in average monthly earnings and the probability of being in paid employment three years after first receiving employment support, among 18 to 65 year olds who received employment support alongside psychological therapy in NHS Talking Therapies between April 2018 and 31 March 2023, compared with a matched sample of individuals who received psychological therapy only

### Notes:

1. Data include individuals who received employment support alongside psychological therapy in NHS Talking Therapies between April 2018 and 31 March 2023, attended at least one employment support session and at least two psychological therapy sessions, were aged between 18 and 65 years at the time of NHSTT assessment, were resident in England at the time of treatment, and recorded as usual residents in the 2011 or 2021 Census.
2. Outcomes are compared with a matched sample of individuals who received psychological therapy only, in an NHSTT service where employment support was not available.
3. The error bars are 95% confidence limits.
4. Earnings are gross monthly earnings paid to employees, in 2024 equivalent values.
5. Being a paid employee is defined as receiving monthly earnings greater than £0.
6. The HMRC follow-up covers the period between 1 April 2014 and 31 March 2025.

## 3 . Data on the impact of employment advisors in NHS Talking Therapies on monthly employee earnings and employment status, England: April 2014 to March 2025

[The impact of employment advisors in NHS Talking Therapies on employee earnings and employment status, England](#)

Dataset | Released 26 May 2026 The change in employee earnings and employment status after receiving employment advisor support and psychological therapy, compared with psychological therapy only.

## 4 . Glossary

### NHS Talking Therapies

NHS Talking Therapies (NHSTT) is a free national NHS service in England that provides evidence-based psychological talking treatments for adults experiencing common mental health difficulties, particularly anxiety and depression disorders. The service started in 2008 and offers a range of National Institute for Health and Care Excellence (NICE) recommended therapies. These include Cognitive Behavioural Therapy, counselling, mindfulness and guided self-help, delivered face-to-face, remotely, one-to-one, or in group settings. Anyone registered with a GP in England can access the service.

More information can be found on the NHS webpage on [NHS Talking Therapies for anxiety and depression](#).

## Employment advisors

[Employment Advisors \(EAs\)](#) were piloted within NHSTT from 2018, with expanded rollout from 2022. The rollout was implemented in phases. Initially, only a small number of CCGs in England had EA access, but with each successive wave, additional CCGs were included. EA support is a voluntary intervention offered to individuals accessing NHSTT, where appropriate. The support is funded by the Joint Work and Health Directorate, and jointly sponsored by the Department for Work and Pensions, and the Department of Health and Social Care.

EAs do not provide psychological therapy; instead, they focus on practical, employment-related support for people who are unemployed, on sickness absence, or struggling to remain in work. The intention is for EA support to run alongside therapy, by addressing employment-related issues, such as job searching, workplace challenges, and return-to-work planning, although support may begin earlier in practice because of waiting times.

## Average treatment effect on the treated

Average treatment effect on the treated (ATT) is the primary causal estimand and measures the average effect of receiving EA support. ATT is defined at the cohort-time level, with cohorts indexed by calendar quarter of first EA contact.

It measures the difference between observed outcomes for treated individuals and the counterfactual outcomes that would have occurred in the absence of EA contact, using never-treated individuals as the comparison group. In this study, never-treated individuals are defined as having no record of receiving EA support in the NHSTT data within the study period. Identification relies on a conditional parallel trend assumption, conditional on pre-treatment covariates.

## Staggered difference-in-differences approach

A staggered difference-in-difference (DiD) approach is used to estimate causal effects when treatment occurs at different points in time across individuals or cohorts. In this study, it exploits the staggered geographical rollout of EA support across England to compare pre- and post-treatment outcomes for matched individuals, controlling for time-invariant unobserved heterogeneity and Lower-layer Super Output Area (LSOA)-level unemployment.

Cohort and time-specific effects are estimated using never-treated individuals with matched NHSTT assessment dates as clean controls and then aggregated following a modified [Callaway and Sant'Anna approach](#), allowing treatment effects to vary over cohorts and time while avoiding bias from conventional two-way fixed effects models.

## Employment status

Employment status is the employment status an individual identifies for themselves, based on information they provide at the start of their NHSTT treatment, reflecting their own understanding of their work status. Categories include:

- Employed
- Not working, long-term sick/disabled
- Not working, not seeking work
- Not working, seeking work
- Missing or not stated

We used information from self-reported sick status (whether an individual is off sick or not) to create further categories, including:

- Employed, working
- Employed, off sick
- Employed, sick status unknown
- Not working, seeking work
- Not working, not seeking work
- Not working, homemaker
- Not working, long-term sick/disabled
- Missing or not stated

## Genetic matching

We used genetic matching, implemented through the [matchit function](#). Genetic matching uses an iterative search algorithm (each iteration is a "generation") to optimise matches by minimising imbalance across observed characteristics. It uses generalised Mahalanobis distance as the primary distance metric.

This helps to reduce systematic differences between groups and reduces potential confounding prior to estimating treatment effects. For characteristics used in matching, see [Section 5. Data sources and quality](#).

# 5 . Data sources and quality

## Linked datasets

An extension of the Public Health Data Asset (PHDA) was used for this analysis. The de-identified, linked dataset includes data from:

- NHS Talking Therapies data (1 April 2018 to 31 March 2023)
- the 2011 Census and Census 2021 data for demographic and socio-economic information
- Office for National Statistics (ONS) death registrations (registered between 1 January 2009 and 31 December 2024)
- HM Revenue and Customs (HMRC) Pay As You Earn (PAYE) Real Time Information (RTI) records (from 1 April 2014 to 31 March 2025)

Datasets were linked using NHS numbers and encrypted National Insurance numbers via the [ONS Demographic Index \(PDF, 549KB\)](#). All data were de-identified prior to analysis. More details of the linkage processes are provided in our [previous publication](#).

PAYE earnings data were processed in line with our Monthly earnings and employment estimates from our [Pay As You Earn Real Time Information \(PAYE RTI\) methodology](#) and our [Explaining income and earnings methodology](#) to derive monthly earnings, with multiple records per individual aggregated within each month.

Negative monthly employee earnings values were set to zero and values above the 99.9% centile were capped. Monthly employee earnings were deflated to 2024 prices using our [Consumer Price Index including owner occupier's housing costs \(CPIH\) dataset](#). We defined being a paid employee as receiving any amount of earnings in a month.

## Inclusion criteria

Individuals were included if they could be linked to both NHS and National Insurance records and had a valid Census identifier.

The study population was restricted to individuals who:

- started NHS Talking Therapies (NHSTT) between 1 April 2018 and 31 March 2023
- attended at least two therapy sessions
- were aged 18 to 65 years at the time of their NHSTT assessment
- were resident in England at the time of treatment and recorded as usual residents in the 2011 or 2021 census

Students and retired individuals were excluded to focus on the working-age population. Additionally, the HMRC PAYE dataset covers only individuals in paid employment, and does not include individuals who are self-employed or receiving income from sources like investments or housing. All included individuals had at least 12 months of follow-up. Where individuals had multiple eligible treatment episodes, the earliest episode was selected. For individuals with multiple eligible NHSTT pathways, the pathway with the earliest therapy start date was selected.

## Exposure groups

The exposed group consisted of individuals who received psychological therapy and attended at least one EA session between 1 April 2018 and 31 March 2023, within their NHSTT pathway. The unexposed group comprised individuals who received psychological therapy in an NHSTT service where EA support was not yet available and where the individual had no recorded EA support during this period.

## Follow up

Individuals were followed from the start of their NHSTT pathway for a minimum of 12 months and up to a maximum of 36 months (pre- and post-therapy). For the exposed group, follow up spanned periods before and after first contact with an EA.

The HMRC follow-up covers the period between 1 April 2014 and 31 March 2025, and ends at the earliest of the following points:

- the end of the study period (31 March 2025)
- reaching age 66 years
- death

Pre-therapy follow up was censored when participants were under 18 years of age.

## Matching

Matching was used to make the exposed and unexposed groups as comparable as possible. Each individual who received EA support was matched, on a one-to-one basis, with an individual who did not receive EA support using genetic matching.

Exact matching was applied on month of NHSTT assessment, with unexposed individuals selected from geographical areas where employment support had not yet been introduced. Additional non-exact matching variables included:

- age group
- sex
- ethnic group
- General Anxiety Disorder-7 (GAD-7) at the start of NHSTT treatment
- Patient Health Questionnaire-9 (PHQ-9) at the start of NHSTT treatment
- Work and Social Adjustment Scale (WSAS) score
- Index of Multiple Deprivation (IMD) quintile group
- disability status
- employment status at the start of NHSTT treatment
- employment history in the six months prior to NHSTT assessment
- presenting complaint

## Quality

The quality of the PHDA and HMRC PAYE datasets are described in Section 5: Data sources and quality of our [The impact of bariatric surgery on monthly employee earnings and employee status, England: April 2014 to December 2022 article](#).

There may be differences between the exposed and unexposed groups not fully captured through the matching process, such as individuals' underlying motivation to seek employment support. Although we implement a matching procedure to improve comparability between exposed and unexposed groups, our estimates may still be affected by bias arising from unobserved factors. These unmeasured factors may influence take-up of EA support and earnings and employment outcomes, meaning that the estimated effects may partly reflect these underlying differences, rather than the impact of EA support alone.

We observe a statistically significant dip before time zero in some models. This is common in mental health settings. Individuals often seek help after negative shocks (for example, job loss or worsening mental health), which can reduce earnings or employment prior to treatment. This is worth noting in the context of parallel trends, but does not invalidate the results. Pre-trends move in the opposite direction to post-treatment effects, suggesting estimates may be conservative. The pre-treatment decline likely reflects selection into support following adverse shocks (Ashenfelter's dip), rather than anticipation or treatment effects. Robustness has been assessed using Rosenbaum and Oster tests.

## Acknowledgements

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## 6 . Related links

[The impact of NHS Talking Therapies on monthly employee pay and employment status, England: April 2014 to December 2022](#)

Article | Released 09 December 2024

The change in monthly employee pay and employee status attributable to completing NHS Talking Therapies treatment in different time periods after therapy, compared with one year before first therapy.

[Using the power of linked data to understand factors preventing people from working](#)

Blog post | Released 1 October 2023

How linked, population-level data can improve our understanding of the interplay between health and work, with the goal of improving the wellbeing of individuals and the economy.

[Labour market overview, UK](#)

Bulletin | Released monthly

Estimates of employment, unemployment, economic inactivity and other employment-related statistics for the UK.

[Rising ill-health and economic inactivity because of long-term sickness, UK: 2019 to 2023](#)

Article | Released 26 July 2023

Experimental statistics estimating the different health conditions of the working-age population and those economically inactive because of long-term sickness.

## 7 . Cite this statistical bulletin

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