

# Building a Wellbeing Economy Ecosystem:

## Opportunities for the Highlands and Islands and UHI

### Purpose:

This draft is shared as a short, informal ‘thought piece’, bringing together learning and engagement from recent events, international conferences, emerging strategies, current research activity and stakeholder discussions. It is intended to prompt discussion rather than set direction or recommend action.

The aim is to outline what is meant by a ‘wellbeing economy’ and by ‘pentahelix collaboration’, and why these ideas are becoming increasingly important in some strategy, policy, investment, and place-based work. Set in the context of the Highlands and Islands and UHI. It explores what opportunities this way of thinking might offer for the region, for UHI, and for UHI Transformation, with a focus on long-term wellbeing, resilience, and prosperity.

The paper is intended as a starting point for conversation. If the ideas resonate, and are seen to add value, further reflection and proportionate next steps could be developed alongside existing priorities and capacity.

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## The wellbeing economy

### Limitations of GDP as a measure of success

- **GDP** counts everything as 'good' spending including spending that follows bad or harmful things like pollution, arms trading, sickness or crime.
- GDP does not give any information about who benefits i.e. overall, GDP can increase while income and opportunity gaps widen
- GDP does not provide any information about our health and wellbeing, education level, strength of community or our the health of our environment
- GDP encourages 'extractive practices' in the short-term with no tracking of long-term effects
- GDP does not count or include unpaid work like caring for people and volunteering, even though this plays an important part in the economy

(Note to self – 1968 UKansas RK)

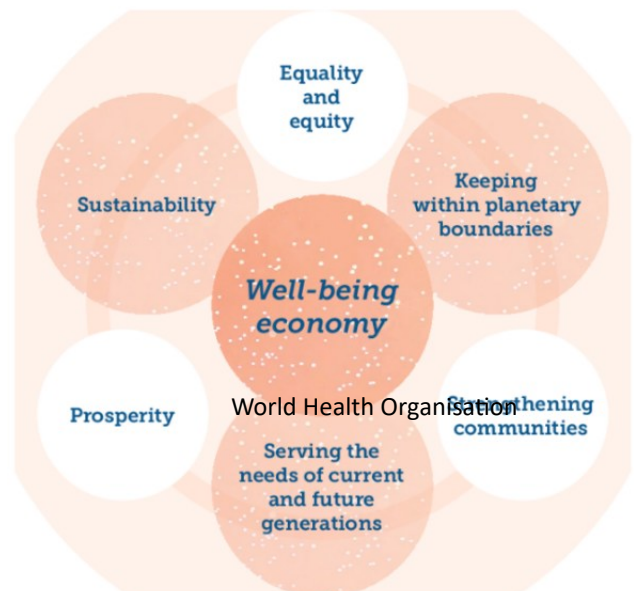
### An outline of the well- being economy

**A wellbeing economy is one where the economy serves people rather than people serving the economy** i.e. 'an economy in service of life'.

*A 'wellbeing economy' starts from the idea that public interests should determine economics, and not the other way around. Rather than pursuing economic growth through narrowly defined indicators such as Gross Domestic Product (GDP), a wellbeing economy monitors and values what truly matters: our health, nature, education and communities. It means 'combining the idea of prosperity with the possibility of social progress within planetary boundaries' with the 2030 Sustainable Development Goals as the foundation'*

[wwf\\_eu\\_wellbeing\\_economy\\_report.pdf](https://www.wellbeing-economy.org.uk/eu-wellbeing-economy-report.pdf)

A wellbeing economy priorities health, education, equality, stable livelihoods, sustainable communities, and environmental health. Instead of growth measures to assess economic development alone (e.g. GDP), a wellbeing economy uses wellbeing outcomes.



-Common elements framing the well-being economy approach in Finland, Iceland, Scotland and Wales

### Key features

- Policy is developed by considering what makes daily lives good, including health, learning, fairness and environmental conditions in addition to economic growth
- A strong emphasis is placed on prevention of avoidable social and environmental costs.
- Planning has long-term horizons & considers resource protection.
- Income & opportunity are distributed more equitably
- There are strong links between social, economic and environmental policy
- Instead of a single growth measure, wellbeing indicators (like dashboards) are used (e.g. Bus Station presentation)

## Wellbeing economy; Scottish Government National Performance Framework and UN Sustainable Development Goals

Three linked frameworks, each seeking to drive policy, investment, and measurement in similar 'wellbeing' directions include:

### 1. Wellbeing economy

- Focuses on quality of life, fairness, environmental health, and long-term resilience.
- Shifts attention from GDP to outcomes related to people and places.

### 2. Scottish Government National Performance Framework

- Sets national outcomes and indicators that track progress across society, environment, economy, and communities.
- Many indicators reflect wellbeing principles such as health, education, poverty reduction, strong communities, climate action, and responsible business.
- Indicators are aligned with UN Sustainable Development Goals

### 3. UN Sustainable Development Goals

- A global set of seventeen global goals that guide action on health, equality, the environment, and sustainable development up to 2030.
- Cover poverty, health, clean water, climate, reduced inequalities, strong institutions, and environmental protection

All three frameworks focus on matters of fairness, health, environmental stewardship, and sustainable prosperity. Scotland's National Performance Indicators link clearly with the SDGs e.g. SDG3 aligns with national health measures. SDG6 aligns with water quality and environmental indicators. SDG13 aligns with climate targets. A wellbeing economy uses the SDGs to set direction can use the national indicators to track progress in Scotland. Together they give a basis for policy design, investment decisions, evaluation and monitoring. They support coherency across government, universities, businesses, communities, and media collaborating effectively through **pentahelix collaboration**.



## Embedding the wellbeing economy in the Nordic nations

Wellbeing economy thinking is more widely embedded in Nordic nations and is used in policy setting to help shape priorities, budgets, and accountability rather than sitting as an add-on. Common features across Finland, Iceland, Norway, Sweden, and Denmark include:

- **Wellbeing embedded in national frameworks.** Governments track health, education, trust, equality, work quality, and environmental condition alongside economic data. These indicators guide policy choices and spending decisions.
- **Emphasis on prevention.** Early investment in childcare, education, housing, and public health reduces long-term social and fiscal pressure. This approach supports stable communities and workforce participation.
- **High degree of institutional trust.** Transparent governance + strong social partnership supports long-term planning and public engagement / buy-in. Wellbeing indicators hold legitimacy because people recognise them in daily life.
- **Integrated policy design.** Economic, social, and environmental objectives are aligned e.g. climate action links directly to skills, jobs, health, and regional development.
- **Real place-based authority.** Municipalities and regions hold responsibility and resources to act within national wellbeing goal frameworks (This can strengthen delivery in remote and rural areas).
- **cross-sector working is normalised.** Government, universities, business, civil society, and media collaborate as standard practice. This mirrors a mature pentahelix model (see below) rather than isolated projects.

Nordic experience shows wellbeing economics as a working system. It supports resilience in sparsely populated regions, balances prosperity with care for people and nature, and can help provide political stability through outcomes people value. These lessons translate strongly to the Highlands and Islands context.

## Wellbeing Economy Alliance

The Scottish network of the Wellbeing Economy Alliance ([Home | Wellbeing Economy Alliance Scotland](#)) sits within a wider international ([Wellbeing Economy Alliance](#)) movement that brings together governments, universities, businesses, and civil society who are all working on similar questions and challenges about how economic success should be defined and measured. In Scotland, the network provides a space to share learning, test ideas, and connect policy thinking with practice, particularly in relation to the National Performance Framework and community wealth building.

Internationally, it links Scotland with peers in the Nordic countries, Wales, New Zealand, Canada, and elsewhere, allowing experience to be compared and adapted rather than copied. Taken together, the Scottish and international networks offer access to shared thinking and practical examples, while still allowing scope for approaches that are shaped by local priorities and place.

## A wellbeing economy for the Highlands and Islands?

A wellbeing economy is an ideal fit for the needs of the Highlands and Islands: It is secure in the principle that **people, communities, and the environment should be at the core of all economic decisions**. By doing so, it may help contribute stability for the long term in an area that is experiencing population shifts, service deprivation, and a major economic transition.

This kind of economy aligns with the intentions of Highlands and Islands Enterprise, Focus North etc and provides a clear link ('a golden thread') between regional priorities, national ambitions set by the Scottish Government, and international commitments through the UN SDGs.

## Benefits for the area

- Communities better able to address issues of depopulation and access to services
- Improved integration of economic planning with health, skills, transportation and housing
- A focus on prevention by (longer term) planning to significantly reduce the future burden of health and social care.
- Protecting the natural environment that underpins tourism, food and drink production, and renewables from harm
- Retention of local resources (value from land, sea and energy) in the local economy rather than leaking out
- Alignment between Dounreay's plans for transition and socio-economic impact in the wider sense.

## Themes relevant to the area

May include:

- **Strong communities:** Programs that strengthen local services, youth participation, and digital access.
- **Fair work and skills:** Vocational training in renewables, engineering, digital, environmental monitoring, and land use
- **Natural capital** - Restore peatland, manage coastlines and conserve freshwater; all supported by jobs to meet climate ambition.
- **Circular economy** activity, with a commitment to keeping materials and their value local
- **Community wealth building** to promote local ownership of community assets and income.
- **Climate resiliency** for dispersed and coastal communities
- **Improved transportation and connectivity** to tackle isolation

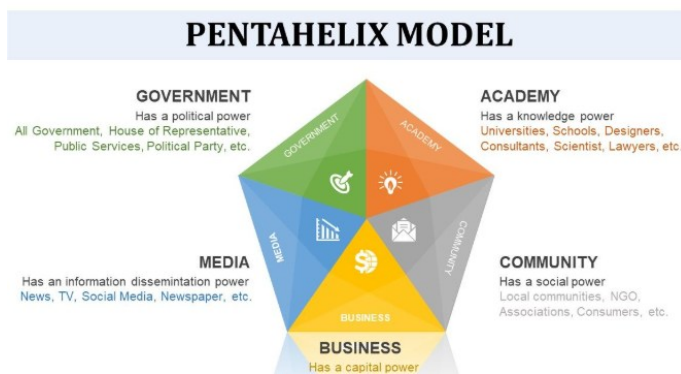
## Pentahelix collaboration

Pentahelix collaboration brings five sectors together to drive a shared goal. Broadly:

- **Government (and it's agencies)**
- **Academia (FE and HE)**
- **Business and industry**
- **Communities/ civil society / Third sector**
- **Media**

Each sector brings different strengths (e.g. see example figure). This model can be used when issues need coordinated action across policy, evidence, investment, community engagement, communication. It supports stronger alignment, wider reach, & better delivery across complex systems.

**Pentahelix collaboration offers a approach to promote a wellbeing economy in Scotland**, and, it may be argued, has particular value for the Highlands and Islands more generally, at this time . The region faces demographic pressure, changing public services, infrastructure gaps, and the need for new forms of sustainable growth. Bringing together government, academia, business, civil society, and media gives you a structure that supports coordinated action instead of isolated efforts.



The model may be used to align local priorities with national outcomes and the SDGs e.g. Government provides policy direction and investment signals; universities supply evidence and skills; businesses create jobs and support new economic activity; communities shape locally solutions; media helps build understanding and support.

This approach strengthens regional planning. It may give partners a 'shared language' for decisions e.g. about energy transition, local services, nature recovery, transport, digital access, and workforce needs. It supports stronger place-based initiatives and may allow the region to show leadership within Scotland's wider wellbeing economy agenda. The region gains from clear priorities, joint investment, and outcomes that improve quality of life for people and communities [The Pentahelix Model: Key to Sustainable Innovation | by The Founders Laboratory | Medium](#)

## Metrics and narratives

Pentahelix collaboration requires both clear metrics and compelling stories to go hand in hand: Both are needed to build trust across government, academia, business, communities, and media.

- Metrics support common facts, shared indicators, and transparent tracking of progress among partners. Data supports a focus on outcomes for partners.
- Stories demonstrate how those numbers mean something in daily life. Stories help people understand why the work matters. Together, they create ease in agreeing on priorities, gaining public support, and maintaining momentum during long-term change.

## Pentahelix collaboration – Highlands and Islands

It may be argued that pentahelix collaboration provides an attractive pathway for a wellbeing economy in Scotland, and particularly for the Highlands and islands at this time. The region requires collective action from public services, local businesses, communities, research partners, and regional media. This method finds the right people to sit in the room, establishes clear priorities, consensus within shared decision-making, and improved operationalisation. This approach can facilitate movement for the region towards new ways of working that empower local services, build quality jobs, respond to demographic need, and strengthen environments.

Overall, this may allow the region to have a credible vehicle for engineering purposeful change and remaining true to wellbeing value in future planning.

## Wellbeing economy and pentahelix collaboration: Why this matters for UHI, it's academic partners and regions stakeholders

**UHI Mission:** To have a transformational impact on the people, communities and economy of our regions.

**UHI Vision:** We will attract, nurture and retain talent in our communities, supporting innovation and social and economic prosperity. We will do this through the innovative delivery of flexible lifelong learning focused on employability and skills and impactful research.

UHI's mission aims to inspire our communities, shape their future, and drive economic, environmental, and cultural wellbeing across the Highlands and Islands. The text above shows how closely this mission aligns with the principles of a wellbeing economy and the partnership model set out in the pentahelix approach.

UHI aims include improving lives, supporting regional resilience, and strengthening place-based prosperity. These align with the core principles of a wellbeing economy. The wellbeing approach thus provides a frame for UHI's success i.e. instead of measuring growth alone, it includes improved health, skills, environment, fairness, and opportunity. These are core to UHI's mission through its teaching, research, and community partnership

The wellbeing economy and pentahelix collaboration provide a clear way to express what UHI already exists to do. They place people, place, and long-term resilience at the centre of decision-making. Success is understood through

healthier communities, stronger skills, environmental stewardship, fairness, and opportunity. These outcomes sit at the heart of UHI's teaching, research, and knowledge exchange.

This approach fits how UHI works in practice. The university already operates across government, business, communities, and national agencies. The pentahelix model gives shape and consistency to that collaboration and reinforces UHI's role as a regional anchor institution with public benefit at its core.

Overall, for UHI, this presents a significant chance to really drive **UHI Transformation** by focusing more precisely how impact, collaboration, and place intersect. The wellbeing economy framework, which is based on pentahelix collaboration, is a natural fit with UHI's mission and with reality in the Highlands and Islands. It confirms UHI's role as an anchor institution, builds upon how we communicate its value in teaching, research, and knowledge exchange, and provides a common language for UHI staff and partners which is consistent with policy priorities. The chance to develop this with a light touch adds further impetus to UHI's role in leading transformation with a focus on long-term wellbeing.

### What this offers UHI

- A **strong institutional position** in line with wellbeing thinking across national and international agendas
- One clear and valid means of describing **impact across curriculum, research, and KE**
- Stronger **foundations for joint investment and delivery** with public bodies, health partners, and business
- A practical frame for planning, evidencing, and communicating **regional impact**
- Direct alignment to the **National Performance Framework and the UN Sustainable Development Goals**.

### What this offers UHI NWH

- A chance to show **leadership** rooted in rural and island 'realities'
- Clear articulation of the **anchor institution** role beyond economic growth alone
- A stronger narrative for boards, partners, and communities about **long-term value**
- **Engagement** that stays strategic and proportionate, led through UHI rather than standalone effort
- Relevance to resilience in the North, West & Hebrides through **skills, innovation, natural capital, and wellbeing**
- Fit with the **North Highland Innovation Centre** as a focal point for skills, research, enterprise, and community wealth building

### What this offers regional partners and stakeholders

- Common framework for **working together** with public services, business, communities, voluntary sector, and media
- **Improved policy and evidence, investment, and delivery coordination** without any alteration in roles and responsibilities.
- A meaningful **connection between local activity and long-term welfare and prosperity** within the H+I.
- Strong support for **local priorities and national outcomes** through the National Performance Framework and delivery of the UN Sustainable Development Goals.
- Greater emphasis on collective story telling on how regional activity matters in **improving life for people and places**
- **Learning from experience**: Scotland, the Nordic countries, and other areas where distance, demographics, and transition are factors.

## Summary and conclusion

This paper sought to explore whether a wellbeing economy lens, supported by pentahelix collaboration, offers a useful way to bring greater clarity to UHI's purpose, impact, and regional role. It draws together current thinking and practice at a time when UHI Transformation is sharpening focus on long-term value, contribution, and place.

The paper does not propose adoption or new activity. It asks whether more clearly naming and framing what UHI already does could strengthen leadership, improve alignment with policy and partners, and support a shared narrative rooted in the Highlands and Islands. If this approach is seen to add value, it could be explored in a limited, low-risk, and proportionate way. If not, the paper stands as useful horizon scanning.

*Note. This document reflects a personal perspective and not the views of the UHI or NWH. It is informal, unsolicited, and shared only as an information and discussion piece.*      *Stuart Gibb, Draft 12/02/26*

## Sources and further reading

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### UN Sustainable Development Goals

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<https://www.norden.org>

- OECD. How's Life in the Nordic Countries. Evidence on wellbeing outcomes, inequality, trust, and regional resilience.  
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- WHO Europe. Wellbeing Economy Deep Dives. Case studies on Finland, Iceland, Scotland, and Wales, with emphasis on prevention and systems thinking.  
<https://iris.who.int/handle/10665/366303>
- Finnish Government. Wellbeing Economy Programme and indicator dashboards guiding national policy and budgeting.  
<https://valtioneuvosto.fi>
- Icelandic Government. Indicators for Measuring Wellbeing. National framework linking social, environmental, and economic outcomes.  
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### **Wellbeing Economy Alliance**

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