



# The Rise of Public Sector Innovation Labs



The Policy Lab  
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The Policy Lab at the University of Melbourne explores public policy decision making, policy design, and how we know what's working.

We work in partnership with government and other organizations on public policy design experiments and policy-relevant research.

If you are interested in finding out more about our work and partnerships please email our research coordinator Dr Emma Blomkamp on [blomkamp.e@unimelb.edu.au](mailto:blomkamp.e@unimelb.edu.au)

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Governments are increasingly turning to public sector innovation (PSI) labs to take new approaches to policy and service design. This turn towards PSI labs, which has accelerated in more recent years, has been linked to a number of trends. These include growing interest in evidence-based policy making and the application of 'design thinking' to policy making.

According to their proponents, PSI labs are helping to create a new era of experimental government and rapid experimentation in policy design. But what do PSI labs do? Can we identify distinct types of labs? And how do they either fit into the landscape of policy making as usual, or challenge it?

One of the key challenges in understanding this emerging field is that there is little agreement concerning what policy labs are despite near unanimous agreement that they are spreading. Mapping of the field of public policy labs reveals differences in terminology, relationship to government, and vision.

## There is little agreement concerning what policy labs are despite near unanimous agreement that they are spreading

Confusion lies most obviously in the terms that are used to describe labs. The quintessential example of the new policy lab phenomenon, Denmark's MindLab, has been described in many different ways - as an "innovation unit", an "i-team" a "public policy lab", a "government innovation lab", a "change lab", a "design lab", and a "social innovation lab". The ecosystem of policy labs is littered with vague and overlapping terms, where it is not always clear how their work even relates to "policy".

PSI labs also differ in their relationship to government. “Government controlled” labs such as the UK’s Policy Lab are wholly funded by government and have direct government oversight. Other labs are “government led”, such as MindLab which is partly funded by government and has direct government oversight. Meanwhile “government-enabled” PSI labs such as FutureLab in the UK, receive government funding but operate independently. Finally some labs, such as MaRS Solutions, are “independently-run” with no government oversight or financing. In practice there is considerable diversity in how PSI labs relate to government.

At a deeper level however, there are also tensions over the vision of public sector innovation itself. For some policy labs, such as the French Experimental Fund for Youth, the vision of public sector innovation is one based in greater use of evidence and application of scientific rationality. Labs can be at the forefront of driving more “evidence based policy making”.

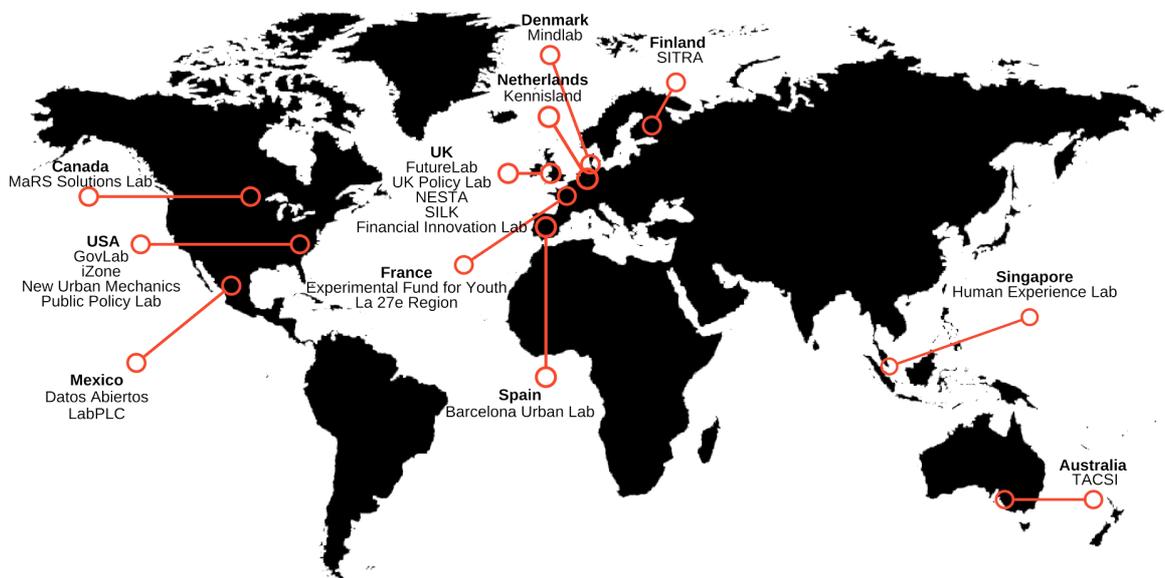
## There are also tensions over the vision of public sector innovation itself

For other PSI labs, such as MindLab, public sector innovation is seen to be driven by interpretive and creative thinking styles, based on better design and involvement of stakeholders in the policy process. With a focus on interpretation, this kind of policy design thinking can even challenge the idea of “evidence” itself. There is a tension over whether public sector innovation should be guided by more evidence and scientific inquiry, or by more “designerly” processes.

While there has been much enthusiasm about PSI labs, there are deeply diverging assumptions, both inside and outside government, about what labs are and how they contribute to addressing public policy challenges.

*The Policy Lab at the University of Melbourne is investigating different dimensions of the rise of public sector innovation labs around the world. If you are interested in this or other research, or our partnerships, please email research coordinator Dr Emma Blomkamp at [blomkamp.e@unimelb.edu.au](mailto:blomkamp.e@unimelb.edu.au)*

### Examples of policy labs around the world



### Types of Public Sector Innovation labs

#### Government controlled labs

Direct government oversight and fully govt funded

Example: Policy Lab (UK)  
@PolicyLabUK

#### Government led labs

Direct government oversight and mix of funding

Example: MindLab (Denmark)  
@MindLabDK

#### Government enabled labs

No direct government oversight but receive govt funding

Example: TACSI (Australia)  
@OzInnovation

#### Independent labs

No government oversight or funding

Example: MaRS Solutions (Canada)  
@solutions\_lab