

The bar at Generator Hamburg



PALAZOS FOR PAUPERS

My Venetian home, a 19th century palazzo, is behind me as I sit on the waterfront, legs dangling above the shimmering surface, Aperol spritz in hand, St Mark's Basilica and the Doge's Palace across the canal through the orange-blue haze of the sky. I'm daydreaming and, I'll admit it, drinking away my hangover from last night's party - a decadent gathering in the gentleman's club-style lobby, presided over by Kitsuné DJs and brimming with beautiful people dancing, drinking and debauching.

I should probably mention at this point that the palazzo is actually a youth hostel, and I'm paying £15 a night.

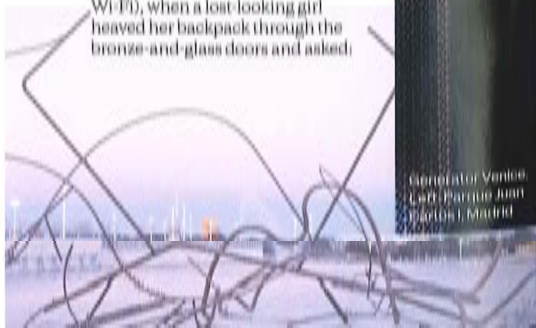
When I first arrived at the Generator hostel on Giudecca, the chi-chi island across the water from Piazza San Marco, on which Elton John owns a home, I was sitting in said lobby (on a velvet chair) eating a prosciutto panini and checking my email (on free Wi-Fi), when a lost-looking girl heaved her backpack through the bronze-and-glass doors and asked:

The new **DESIGNER** HOSTELS
In search of high design on a low budget, Alison Taylor finds you can get much more than you pay for

Right: The Venetian skyline. Left: A room at U Hostel, Madrid



The chill-out area at Generator Copenhagen. Left: U Hostel, Madrid



Generator Venice. Left: Parque Juan Carlos I, Madrid

Let's run away together

'Hostels have become so good, you have to check the map to make sure you're in the right place'

'Can you help me, please? Do you know where the hostel is?'

Now, this exchange sounds like it could be a made-up marketing managers dream (did a Generator exec plant her there?), but it conveniently sums up what's going on with this, Venice's first upmarket hostel, and with budget accommodation in general: it's so good, you have to check the map to make sure you're in the right place.

'If Soho House did hostels, they would look like this,' says my friend Sam, who also witnessed The Incident Of The Lost Girl In The Lobby. 'You get boutique standards at hostel prices. It's a redefinition of the term hostel.'

He's right, Venice is one of eight properties in the Generator

group, which also includes a Hamburg skyscraper where The Beatles recorded one of their first songs, a former Philippe Starck bolthole in Copenhagen and a converted police station in London (there are also similarly intriguing properties in Barcelona, Berlin and Dublin, with Paris and Rome coming soon). 'The definition of luxury has changed,' explains Josh Wyatt, a partner at Patron Capital, the company that took over - and started revamping - Generator a few years ago. 'Whether you're spending £10 or £10,000, it's about having something unique. What we're trying to do, and what I'm passionate about, is creating the memory - that indelible burn on the brain.'

HOSTELS REDEFINED

An indelible burn on the brain without burning a hole in your palazzo-pants pocket? It is possible. Take PLUB Hostel in Florence, one of many so-called 'luxury hostels' on travel site HostelBookers (hostelbookers.com). It's got an outdoor pool, a restaurant and a panoramic terrace bar; while Madrid's stylish U Hostel features a cinema room. As a HostelBookers representative puts it: 'Hostels today offer double rooms with en-suite bathrooms, as well as dorms, and travellers can spend their time amid cool decor, on roof terraces, in Jacuzzis and in extravagant lounges.'

Roof-top pool? Terrace bar? Say *whaaaat?* When I InterRailed around Europe after my first year at university in 2001, none of the hostels could have been described as stylish (well, unless prison chic is your thing). But being cheap is not enough any more. 'Everyone is more discerning now,' says Wyatt. 'You might have been able to get away with building something cheap and boring in the past, but you can't now. People are more design savvy - they know what they like and then they go on social media and tell others.'

It's true. 'There's no way I would have taken a photo of myself in the concrete block where I stayed in Prague in the early Noughties. But Generator Venice? With its vintage fireplace (sourced in Verona), hipster wallpaper (from-