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Tories to convert council rent into mortgage

By Rosie Murray-West and George Jones

EVERY social housing tenant will be given the opportunity to own his or her home under a Conservative government, David Cameron announced yesterday.

He wants to create a revolution in ownership by allowing any council tenant the right to convert rental payments into a mortgage.

"In this way we can create a whole new generation of home owners," the Tory leader said. "Millions of people would be able to own their flat, own their home. Millions of people would be able to pass property on to future generations."

Under the proposals, unemployed people would be able to use housing benefit to build up equity in their homes.

Michael Gove, the shadow housing minister, said it would be "extremely difficult" for people on benefits to own a home outright through the scheme but conceded that they would be eligible.

Under the policy, the opportunity to have a mortgage instead of paying rent would be open to all council tenants and those in housing association properties.

As in current shared equity schemes, the mortgage would allow the tenant gradually to buy the property, with the rest being owned meanwhile by the council or association.

Mr Cameron said the policy - which follows Margaret Thatcher's hugely successful right to buy plan - would allow greater social mobility.

Addressing a conference examining the difficulties of first-time buyers, he said: "There is a huge gap opening up between those who have achieved the dream of owning a home and those who, although they are working and striving and earning, can't see how they are going to be able to achieve that dream."

But critics said that the scheme would worsen the housing crisis by depleting the number of affordable rented homes. Graeme Brown, of the housing charity Shelter, said the proposal would "exacerbate the nightmare of bad housing for thousands of families suf-

fering at the sharp end of the housing crisis".

Peter Tutton, of Citizens Advice, said that some people who had taken up their right to buy council properties had been unable to pay their mortgages and faced being left without a home.

"For them, the dream of owning a home has become a debt nightmare," he said.

Mr Gove emphasised that tenants would not be required to buy their properties under the proposals.

But he said: "If an individual knew they were investing in their own property instead of paying rent, they might put more of their discretionary income towards the cost of housing."

He said it was vital that social housing was replaced as it was sold off. Councils should be able to use the capital from selling the homes to build new houses.

"We are in favour of expanding the housing supply overall," he said.

The National Housing Federation, which represents all housing associations, said that only 32,441 homes were built in 2004 and last year to replace 59,154 homes sold off under the right to buy scheme and similar programmes.

"This is not going to be a solution on its own," Olivia Powis, its policy officer, said. "We do not want to see the affordable housing stock depleted any further."

The Tories' right to buy scheme was introduced in the 1980s in the face of fierce Labour opposition. Labour eventually accepted it but introduced restrictions which have made it less attractive and reduced the properties available for purchase.

Labour and the Liberal Democrats dismissed Mr Cameron's scheme, saying that it was simply a recycling of a failed policy when the Tories were last in power. Labour said the policy had resulted in only 400 sales in the 11 years before it was abolished - fewer than 40 homes a year.

Lady Andrews, the junior local government minister, said: "David Cameron's housing policies are nothing but a muddle."

"They do nothing for the thousands of first-time buyers desperate to get into the housing market."

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Pupils at the Queen Elizabeth's School, Barnet, north London, celebrate their A-level results yesterday. The boys' grammar was the top-performing state school

Top grade for a quarter of A-level pupils

By Liz Lightfoot
 Education Editor

THE A-level pass rate has risen for the 24th year in succession and almost a quarter of entries were awarded A grades, the exam boards announced yesterday.

Universities were able to confirm 294,576 offers of places, as a record number of candidates met their offer grades.

The proportion of entries graded A was 24.1 per cent, 1.3 percentage points up on last year. In some subjects the proportion of A grades reached more than a third.

The reduction in the amount of content candidates have to master for mathematics revived interest in the subject and led to an increase in entries of 5.8 percentage points. The proportion gaining an A grade went up from 40.7 per cent to 43.5 per cent.

Overall, the pass rate rose by 0.4 of a percentage point to 96.6 per cent. Girls moved farther ahead of boys and now out-perform them at grade A in every major A-level except modern languages.

Seven state schools in *The Daily Telegraph's* league table of results broke through the



"WE'RE RICH - I didn't get good enough grades for university"

barrier of 90 per cent of entries at A and B grades. Queen Elizabeth's School, a boys' grammar in Barnet, north London, topped the table with 95 per cent of entries at the top two grades, performing better than most independent schools.

"We are delighted with the results but we do not stress achieving top grades as our main mission because we place great value on a broad range of extra curricular achievements," said Dr John Marinowitz, the head teacher.

In an attempt to deflect criticism of "dumbing down" of

standards, the Government's curriculum advisers spent more than £50,000 on newspaper advertisements urging the public to congratulate pupils on their achievement.

Alan Johnson, the Education Secretary, has acknowledged that the high proportion of candidates gaining three or more A-grades makes it difficult for universities to choose the best candidates and is considering introducing an A* grade.

Tougher questions are also being tried out next year.

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Digest

Explosives alert at US airport

A West Virginia airport terminal was evacuated after two bottles of liquid found in a woman's carry-on luggage twice tested positive for explosive residues, a US security spokesman said. P2

Drought 'is ending'

The worst of this summer's drought appears to be over, water industry leaders said. They predicted there would be no new hosepipe bans. P3

Teacher 'admits murder'

A teacher confessed to one of America's most notorious

crimes of the past decade, admitting that he "accidentally" killed six-year-old JonBenet Ramsey. P4

Another Prescott clanger John Prescott heaped yet more embarrassment on Tony Blair after a Labour MP claimed that he had described President George W Bush as a "cowboy" whose policy on the Middle East was "crap". P6

Who's Who of crime

The Illustrated Circular of Confidence Tricksters and Expert Criminals, a kind of Who's Who of swindlers by Scotland Yard, has been made public. P10

Migrant tip-offs 'ignored'

The Home Office was accused of ignoring tip-offs about illegal

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migrants working in the black economy. P12

Charity for Poles

So many Poles are living in squalor and poverty in Britain

that a Polish charity is sending staff to London to persuade them to return home. P14

US anti-terror blow

American electronic espionage operations against suspected al-Qaeda terrorists were thrown into chaos after a judge ruled that eavesdropping without a warrant is unconstitutional. P17

Iraq runs short of petrol

Iraq has the third largest oil reserves in the world but drivers were forming mile-long queues at petrol stations, knowing that they would spend the night before they could fill up. P19

Katrina: a year on

One of the few undisputed heroes of Hurricane Katrina, a

one-time bouncer turned teacher, still lives in a trailer a year after he rescued survivors of the great storm. P20

SPORT Pakistan in charge

England were bowled out for 173 on the first day of the fourth Test at The Oval. Umar Gul and Mohammad Asif each took four wickets. Pakistan replied with 96 for one. S1-S4

BUSINESS Security plea

Virgin Atlantic is lobbying the Government to pay for all future security measures at the country's major airports. B1

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