



Advisers to National Zakat Foundation: Terms of Reference

National Zakat Foundation seeks to consult with advisers - scholars, researchers and practitioners - who are committed to ensuring Zakat distribution in the UK is purposeful, effective and legally sound. This consultation is an open, continuous and live process, and will enhance our strategy and policymaking.

Background and context

About National Zakat Foundation

A thorough engagement with the diverse views of past and contemporary scholars points to the purpose of Zakat: all the pillars facilitate Islam flourishing – flourishing for individuals and at a communal level – as a source of prosperity and harmony. Zakat is the only one of the pillars representing a financial mechanism to help achieve this purpose.

National Zakat Foundation (NZF) collects Zakat centrally, and distributes Zakat transformatively within the UK across the eight categories of Zakat (*Qur'an 9:60*) in an endeavour to achieve the purpose of Zakat. National Zakat Foundation is the only dedicated organisation in the UK combining central Zakat collection with fully local and holistic distribution.

Through giving out Zakat grants in the UK, NZF supports and empowers individuals in poverty, transforms institutions serving the community, and promotes understanding of Islam and Muslims through greater social cohesion, support for Islamic scholarship and enhancing religious literacy.

About NZF Strategy, Policy & Research

Institutionalising, collecting and distributing Zakat is not an easy task; Zakat is a pillar of Islam and any misconduct or complacency will surely face accountability in the court of Allah. Thus, in close consultation with scholars, NZF has always practised diligence and caution with regards to the proposed legalities of Zakat, whilst aiming to understand the overarching aims of Zakat and develop a distribution strategy that ensures they are delivered.

Since the inception of NZF in 2011, there has been a concerted effort to discover and implement Zakat from a legally sound and strategic perspective. The organisation has been in continuous consultation with scholarly panels, individual muftis and leaders from across the community.

To date, research and consultation have occurred with a fixed external panel of scholars; there have been attempts to establish a new panel with a specific Zakat focus. This has been a rich and invaluable experience, although challenges and limitations have also surfaced,

especially in relation to achieving sufficient commitment and breadth of experience required when dealing with a limited number of scholars.

NZF's new in-house Strategy, Policy & Research department has two permanent staff and is committed to researching the subject of Zakat from a theoretical perspective and arriving at strategies and policies to navigate the practical reality in the UK. We believe this framework is the optimal medium to shed light on the challenges we face strategically and operationally.

An integral role of this department is to continue consulting with advisers - scholars, researchers and practitioners who are committed to ensuring Zakat distribution in the UK is both legally sound and strategic. This will enhance our strategy and policymaking.

Requirements for Advisers

An adviser will have:

- Deep Shari'i and/or context expertise
- Extensive research background
- Commitment to NZF's strategy and objectives
- Support for holistic advisory approach (*see Appendix 1*)
- Appreciation of diverse backgrounds and schools of Fiqh of NZF's Zakat payers, Zakat recipients and staff.

Advisers may be asked to:

- Take part in an annual meeting of advisers.
- Take part in occasional individual or small group discussions.
- Consider contributing a paper, on receiving a call out for papers on a relevant topic.
- Undertake a research project upon a mutually agreed research proposal. Agreement to undertake one research project will not imply any commitment to future research proposals.

Framework for research proposals:

- The appropriate member of National Zakat Foundation's Strategy, Policy & Research Team will contact appropriate advisers with a research proposal, or an adviser may propose a particular topic to be researched.
- Within an agreed timeframe, NZF and the adviser will confirm a mutually acceptable research agreement – acceptable in terms of agreed timeframe, cost, approach and output.
- The holistic approach taken by NZF (*see Appendix 1*) means that advisers will be expected to take such an approach including:
 - (for scholars) Consideration and application of all four schools of Fiqh
 - Consideration and application of the current UK context. We would like scholars to kindly consider and explain the use of any of the principles of *Rasm al-Mufti*.

Duration of commitment:

- The consultation process is continuous.
- We ask advisers to commit to a minimum of one year.

Benefits and compensation:

Where ongoing consultative input is required from the adviser requires payment, then NZF is willing to consider facilitating this with fair compensation.

NZF is prepared to compensate for any high-quality research commissioned and undertaken for the organisation, the details of which can be discussed directly with the adviser conducting the research project.

For the purposes of transparency, NZF will include all advisers on the website, whilst acknowledging that someone being an adviser does not mean that he or she agrees with everything NZF might decide to do.

Appendix 1: Research methodology

Zakat is a pillar of Islam, subservience to God. Therefore, it is supposed to work alongside, and in synergy with, the other pillars (especially Salat) so that subservience to God is established and flourishes in society. Our Zakat should be distributed to reflect the overarching prophetic concern that more human beings come closer to realising their ultimate purpose and fulfilling their ultimate potential.

To discover what Allah wants us to do with Zakat or, to put it another way, what the Prophet (may Allah's peace and blessings be upon him) would have done in this context, a Fiqh process is crucial: systematic reasoning with the sources of law (*al-Nuṣūṣ al-Shari'yyah*) and understanding the context we live in (*al-Wāqi'*). This process helps ensure Zakat is collected and distributed in an efficient and effective manner.

The NZF Fiqh process incorporates three elements:

1) Analysing the primary/secondary sources of law and historical practice of Zakat

This incorporates:

- Studying the exegesis of the Qur'an to understand and explore the language of revelation and the law with respect to Zakat.
- Studying the Prophetic narrations (*Aḥādīth*) and narrations from the earlier generations to understand how Zakat was practised.
- Engaging with the schools of Fiqh in a systematic manner to understand the causative factors (*Ta'līl*) and explanations of jurists.
- Studying the historical practice (*Tawāruth*) of Muslims in respect to Zakat to highlight how they adapted the payment, collection and distribution of Zakat to their contexts.

2) Analysing primary sources of jurists (*Fuqahā'*) and the principles of fiqh (*Uṣūl al-Fiqh*)

This element involves critical reasoning and analysing the topic of Zakat using the same methodology of classical scholarship. The legal manuals of the jurists (*Fuqahā'*) and the principles of fiqh (*Uṣūl al-Fiqh*) methodologies are the primary sources.

Scholarly deduction (*Ijtihād*), legal analogy (*Qiyās*) and juristic preference (*Istiḥsān*) of scholars are considered to understand the underpinning causative factors (*Ta'līl*), effectiveness of legal meanings (*Ta'thīr al-Ma'ānī*) and the rationale of the law (*Manāṭ*) in relation to Zakat.

This is supported by the legal maxims (*Qawā'id al-Fiqh*), the benefits of the law (*Maṣāliḥ al-Aḥkām*) and the objectives of the law (*Maqāṣid al-Tashrī'*).

3) Engaging with the context and situation (*al-Wāqi'*)

This element refers to Fatwa methodology and principles (*Rasm al-Mufti*) which is a filter to ensure that a Fiqh process considers the context and is relevant to it.

The following principles are considered:

- necessity (*Ḍarūrah*)
- need (*Hājah*)
- removal of difficulty (*Raf' al-Ḥaraj*)
- facilitation of ease (*Taysīr*)
- change of time (*Taghayyur al-Zamān*)
- custom and convention (*'Urf*) and
- public interest (*Maṣlaḥah*).

These principles ensure relevance and ease in practice when institutionalising and distributing Zakat to have the greatest transformative impact in our context.

With this process of triangulating three elements - remaining both authentic to revelation and true to context - we strive to practically manifest the Divine will in a dynamic, comprehensive and systematic fashion.

Appendix 2: Strategy, Policy & Research Team

Mufti Faraz Adam

Mufti Faraz Adam has spent almost a decade studying Islamic law. He initially completed his Islamic studies in the six-year Alimiyyah degree at Darul Uloom Leicester. He went on to specialise in Islamic law and Islamic finance at Darul Iftaa Mahmudiyyah, Durban, South Africa. He graduated as a juriconsult (*Mufti*) in 2012, accredited with Masters of Arts in Islamic Theology with specialisation in Juristic verdicts (*Iftaa*) and a Diploma in Islamic Finance. Mufti Faraz completed a Master's Degree in Islamic Finance, Banking and Management at Newman University in 2017.

During his studies, he attained finance industry qualifications including the Ethica Certified Islamic Finance Executive (CIFE™) and the Islamic Finance Qualification (IFQ) with Chartered Institutes of Securities and Investment. He is studying ACCA to become a qualified Chartered Accountant.

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Lucy Bushill-Matthews

Lucy holds an MA in Economics from Cambridge University, and an MSc in Health Economics (Distinction). She is a Chartered Management Accountant (ACMA).

Lucy joined NZF as Head of Strategy, Policy and Research in 2017, formerly CEO of MADE, a British Muslim youth social action charity. Lucy has previously spent 10 years in International Development in strategy, programmes and marketing, both in head office and abroad. Lucy came to the charity sector with 10 years of experience in economic analysis within major multinational corporates. Lucy is author of 'Welcome to Islam—a Convert's Tale', a TedX speaker on seeking spirituality, and has been a regular columnist in lifestyle magazine 'Emel'.

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