

P R E D I C T . P R O T E C T . P E R F O R M .

Dates in the diary: identity, licensing and lifecycle.

[The changes with deadlines attached — passwordless, Purview, and platforms going out of support.]

C O N T E N T S

Inside part three

Licensing changes worth acting on, two identity changes with firm dates, and the platforms leaving support this autumn.

Microsoft 365 Business with Copilot bundles	3
Windows 365 promotional pricing	3
Exchange Online cross-tenant message recall	3
Retiring native SMS and voice authentication	4
Purview, DLP and legacy risk policies	4
Platform lifecycle and planning ahead	5
About the author	6

Licensing worth a second look

From the 1st July 2026, Microsoft replaced the earlier promotional bundles with two permanent Microsoft 365 Business with Copilot subscriptions for organisations with up to 300 users.

SUBSCRIPTION	INDICATIVE PRICING
Microsoft 365 Business Standard with Copilot	£19.00 per user, per month (Annual NCE)
Microsoft 365 Business Premium with Copilot	£25.85 per user, per month (Annual NCE)

PROMOTIONAL, TO 31 DECEMBER 2026

Business Basic with Microsoft 365 Copilot Business at \$21 per user, per month (approximately £15.60), and Copilot Business as a standalone add-on at \$18 per user, per month (approximately £13.40). Both apply to 1–300 users on qualifying annual subscriptions.

WINDOWS 365 CSP PROMOTIONS

Windows 365 Business 25% off to 30 June 2027; Flex and eligible government offers 20% off to 30 June 2027; Enterprise 20% off to 30 September 2026. Eligibility and final pricing need validating at the point of purchase.

The promotional period makes it worth revisiting contractor access, rapid onboarding, contingency when a laptop is lost, and cloud-first access for external identities.

Exchange Online cross-tenant message recall

MID-AUG TO EARLY SEP

A user may be able to recall an email sent to another Microsoft 365 organisation. The receiving organisation must enable the capability and add the sending tenant to a trusted allow list, so this stays limited to approved relationships — group companies, long-term partners and businesses running separate tenants.

Preventative controls still matter: DLP, sensitivity labels, user awareness and sharing policies. A recalled message may remain discoverable through retention or eDiscovery in the recipient environment. Agree which external tenants are trusted, and document why.

Passwordless by default

The most important change in this edition. Microsoft will retire Microsoft-provided SMS and voice authentication in Microsoft Entra ID, across MFA and self-service password reset.

1 SEPTEMBER 2026

Users enabled for SMS or voice are automatically enabled for passkeys and brought into a Microsoft-managed registration campaign, seeing prompts to register a passkey after completing MFA.

1 FEBRUARY 2027

Native SMS and voice delivery stops. Users whose only method is SMS or voice receive a blocking passkey-registration prompt before they can sign in. There is no opt-out from the February enforcement.

Plan the two dates as one identity-modernisation programme. Self-service password reset changes on the 7th September 2026, when only explicitly registered methods will be accepted.

Why the change

SMS and voice are vulnerable to phishing, social engineering, number reassignment and SIM-swap attacks, and depend on networks outside your control. Passkeys use cryptographic credentials designed to resist phishing and replay. Entra supports passkeys in credential managers and Authenticator, on Windows, Windows Hello for Business and FIDO2 keys.

What to review for SSPR

Whether users are registered; whether enough methods meet your policy; whether on-premises directory attributes are treated as registered methods; and whether registration campaigns and communications are in place.

Purview, DLP and legacy risk policies

PURVIEW

PREVIEW

DLP extends to unmanaged AI and web apps

Network Data Security inspects sensitive information sent to unmanaged cloud and generative AI services. Begin in monitoring mode, then refine before blocking.

DLP

6 JAN 2027

Defender for Cloud Apps DLP file policies retire

Policies will not migrate automatically. Identify what is active, review its purpose and recreate the controls in Purview. Discovery, design, simulation and migration can take months.

ENTRA ID

1 OCT 2026

Legacy User Risk and Sign-in Risk policies retire

Recreate them in Conditional Access, confirm Entra ID P2 licensing and test in report-only mode. Without a replacement, high-risk users may not be prompted to remediate.

Platform lifecycle

PLATFORM	KEY DATE	STATUS
SQL Server 2016	14 July 2026	End of extended support
Exchange Server 2016 & 2019	31 October 2026	Final ESU period ends
Windows 10 Enterprise 2016 LTSC	13 October 2026	End of support

SQL Server 2016 Microsoft no longer provides standard security updates or assisted support. Extended Security Updates are available for eligible deployments to July 2029. You should now hold an upgrade path, a migration to Azure SQL Managed Instance or another supported platform, a documented ESU arrangement, or a retirement plan for the application.	Exchange Server 2016 and 2019 The second and final ESU period runs to the end of October 2026, with no further extension. Confirm the current ESU has been purchased, the server is fully updated, the route to Subscription Edition or Exchange Online is agreed, and dependencies on SMTP or Exchange services are understood.	Windows 10 Enterprise 2016 LTSC Often found on manufacturing and warehouse devices, specialist workstations, laboratory equipment, kiosks and terminals. Discovery needs to cover the device, application, peripherals, supplier support and operational impact as one unit — the challenge is rarely just the operating system.
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This deadline also connects to the Fabric story: an existing SQL application can remain operational while selected data is replicated into Fabric for modern reporting and analytics.

FROM INSIGHT TO IMPACT

Microsoft is bringing productivity, data, AI, identity and security closer together. The strongest results come from connecting these areas to a clear business plan, with ownership, governance and measurable outcomes agreed from the start.

Cybit supports advisory, assessment, design, implementation, adoption and managed services across Fabric and Power BI, Microsoft 365 Copilot, Foundry and Azure AI, Entra and passwordless identity, Defender and Purview, licensing, Windows 365 and platform modernisation.

TALK TO US →



Peter McLeavery

SOLUTIONS ARCHITECT

Translating complex technology into practical outcomes

Peter is a Solutions Architect at Cybit and one of our leading Microsoft specialists, with deep expertise across Microsoft 365, Azure, Copilot and the broader modern workplace ecosystem. With over a decade of hands-on experience helping organisations modernise their environments, he is known for translating complex technology into clear, practical solutions that deliver measurable value.

He works closely with IT and business leaders to optimise Microsoft licensing, simplify architecture and unlock capabilities they already own but have not fully leveraged. Recently he has focused on helping customers prepare for AI-enabled operations, including Copilot readiness, data governance, automation and secure-by-design configuration.

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PREDICT. PROTECT.
PERFORM.