



Submission to the Competition and Markets Authority (CMA)

Microsoft Business Software Ecosystem Investigation Killinghall Parish Council Submission

Executive Summary

Killinghall Parish Council submits that Microsoft's business software ecosystem creates avoidable financial burdens for small public bodies due to limitations in interoperability with third-party systems.

Our experience demonstrates that, in order to use Microsoft Teams effectively, it is necessary to purchase additional Microsoft services, specifically Microsoft-hosted email accounts.

For our council, consisting of 9 councillors and 1 clerk, this results in an unplanned annual cost of **£1,100**.

This requirement was not made sufficiently clear at the outset and represents poor value for money, limiting our ability to use public funds efficiently.

We believe this reflects broader concerns about reduced customer choice, lack of transparency, and increased costs arising from Microsoft's ecosystem design.

1. Introduction

This submission is made by Killinghall Parish Council in response to the Competition and Markets Authority (CMA) investigation into Microsoft's business software ecosystem.

Our council consists of 9 councillors and 1 clerk, totalling 10 users.

2. Summary of Concern

We are concerned that Microsoft's refusal to integrate fully with third-party products creates unnecessary additional costs for Parish Councils.

These costs directly impact our ability to manage public funds responsibly.

3. Practical Example: Microsoft Teams

We sought to use Microsoft Teams as a collaboration platform.

However, we discovered that full functionality is effectively dependent on purchasing Microsoft email accounts (Exchange Online).

Without this, the system is limited and cannot be used to its full potential.



4. Financial Impact

To enable full use of Teams, we are required to purchase Microsoft licences for all users:

- 10 users (9 councillors + 1 clerk)
- Cost per licence: £110 per year
- **Total annual cost: £1,100**

This represents a significant and unplanned expense for a small Parish Council operating under financial constraints.

5. Impact on Public Money

This additional cost was not anticipated during planning or procurement.

It effectively forces the Council into adopting a wider Microsoft ecosystem simply to use a core service.

As a result:

- Public funds are used less efficiently
 - Existing systems cannot be fully utilised
 - We are left with tools that cannot be used to their full capability
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6. Transparency Concerns

The level of dependency on Microsoft email and identity systems was not made sufficiently clear at the outset.

This lack of transparency leads to unexpected financial commitments and reduces the ability of local councils to make informed procurement decisions.

7. Alignment with CMA Concerns

Our experience supports wider concerns that Microsoft's ecosystem may restrict interoperability and limit customer choice.

We have found that it is difficult to combine Microsoft tools with alternative providers without incurring additional cost.

8. Conclusion

Killinghall Parish Council believes that Microsoft's current approach places an undue financial burden on small public bodies.

The requirement to purchase additional services to unlock full functionality represents poor value for money and undermines the principles of fair competition and transparency.

We respectfully ask the CMA to consider the impact of these practices on Parish Councils and other small public sector organisations.

Signed

